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U.S. Department of Commerce

Secretary
Luther H. Hodges

Assistant Secretary for International Affairs
Jack N. Behrman

Director, Bureau of International Business Operations
L. Edward Scriven

Director, Bureau of International Programs
Eugene M. Braderman

Frederic S. Otis, Managing Editor

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ABOUT THE COVER

Chicago Field Office manager, Anthony J. Buchar, addresses a study group of visiting Japanese businessmen in conference room of Chicago Association of Commerce and Industry. Story, page 10.

FEATURES

3 Trade expansion act summarized
5 Earth moving machinery firm sets export sales record
6 Birth of Malaysia Federation seen offering both promise and challenge
9 New FCIA policy insures exports up to 5 years
10 Business asks—he answers (picture story)
12 Chicago educator to manage vocational training exhibit in Nigeria
13 International fair at Chicago expected to attract 750,000
13 Conference for Unity of the Americas to open July 22
14 Early tariffs primarily source of revenue; import battle brought changes

DEPARTMENTS

WORLD TRADE OPPORTUNITIES

15 Projects announced in Viet-Nam, Greece, Ceylon, and India
16 Leads for exporters
19 International representation
22 Leads for importers; Visiting buyers and officials
23 Construction projects

WORLDWIDE BUSINESS OUTLOOK

24 Macapagal improves climate for U.S. firms in Philippines
26 Trade Mission sees long-term potential in Central Africa
29 Trade team finds Congo, Gabon offer limited market for U.S. goods
33 Belgian boom roars ahead; effect of U.S. tariff hike minimized
34 Britain may change TV standards; U.S. sales should rise
35 Korea's 5-year plan attracts U.S. investors, suppliers
36 Argentina considers improvement of railways, roads, waterways

INVESTMENT OPPORTUNITIES

37 Benefits of production-sharing cited; developing countries seek additional enterprises
38 Pharmaceutical plant sought in Sudan
38 Middle Africa offers opportunities
39 New lumber company in Cambodia seeks capital, technical aid

FOREIGN GOVERNMENT ACTIONS

40 India's low foreign exchange reserves spur import curbs, export incentives
41 El Salvador terminates concessions under 1937 trade pact with U.S.
42 Korea sets up 3 bank-deposit groups to take care of frozen funds

U.S. GOVERNMENT ACTIONS

43 AID can now pay half of private foreign investment survey costs
43 UN gets $10 million grant from U.S. for Congolese imports
44 AID lends Israel $35 million for U.S. machinery

Business Bulletins, page 2 **Foreign Contract Awards, page 42**

Business Bulletins *from around the world*

AUSTRALIA—$3 million Campbell Soup Co. plant, just opened near Shepparton, Victoria, to employ 300 and produce full line of foods and soups. Some canned foods to be marketed under Kia-Ora label of Australian line purchased by Campbell Soups Pty., Ltd. Mutton, stock and other specialties of Australian plant to be used by other Campbell plants in U.S., Canada, Great Britain, France and Italy.

FINLAND—Tobacco industry voluntarily to withdraw all TV cigarette advertising early in 1963. Decision, preceded by widespread public discussion, will not affect cigarette advertising in other media.

GUINEA—Amended U.S. Food for Peace agreement provides for sale of additional $270,000 worth of agricultural commodities for Guinea francs. According to U.S. Department of Agriculture, new purchases to include: soybean or cottonseed oil (approximately 1,325,000 lbs.), $200,000; dried milk (about 275,000 lbs.), $20,000; canned milk (some 275,000 lbs.), $40,000; and ocean transportation (estimated), $10,000.

INDIA—Additional export quota of 5,000 tons hand-picked-selected peanut kernels announced June 5, bringing total permitted since beginning of 1962 to 63,500 tons.

Four more 50,000 kw generators to be operative by December 1963; first started trial runs in May at Soviet-aided Neiveli thermal power plant.

Private holders of industrial licenses for fertilizer plants having difficulty securing foreign capital. Many of 10 licenses for more than 500,000-ton total nitrogen capacity may go unutilized.

Crude oil supply from Ankleshwar field in Gujarat State to Bombay refineries, started August 1961 at 100 tons daily, now up to 1,200.

ITALY—Total imports for first 4 months 1962 were $1.9 billion and total exports $1.5 billion—up 11% and 15.1%, respectively, over same period 1961. Imports from U.S. totaled $302 million (down 3%) and exports to U.S. $133 million (up 23.6%). Imports from Common Market countries reached $615 million (up 26.8%) and exports to Common Market countries $506 million (up 26.9%).

IVORY COAST—1961 exports to U.S. amounted to $25.4 million—almost 11% over 1960's $22.9 million, according to recent official statistics. Most of increase due to U.S. purchases of cocoa—up 43.4% in value. Sales in U.S. of coffee decreased slightly. Cocoa and coffee together accounted for 94% of Ivory Coast 1961 exports to U.S.

JAMAICA—Imports of fresh fruits and vegetables from Florida or via Florida banned until further notice due to Mediterranean fruit fly menace.

KOREA—Amendment to Title 1 Public Law 480 U.S.-Korea Agreement of Mar. 2, 1962 provides for an additional $39.74 million worth of cotton, tallow, and grain—total of $71.54 million in surplus agricultural commodities thus available under agreement. Local currency from sale of these goods to be allocated with 10% for U.S. use, 2.2% for "Cooley loans" and 87.8% for Korea's defense forces.

LIBYA—Esso Libya preparing 56-mile extension of Zelten pipeline to connect with oil deposits at Raguba oilfield. Extension to be built by Williams Brothers of Tulsa, utilizing pipes purchased from Japan. Completion due mid-1963.

MALI—President Mobido Keita, at extraordinary National Assembly session, announced Mali would have own franc next morning—July 1. Bank of Republic of Mali to issue and control currency; rate of exchange to be 1 Mali franc to 1 CFA (African Financial Community) franc. Mali hopes to remain within French monetary zone under Franco-Malian financial accords signed in Bamako in March 1962, including provision for Mali to issue own currency. Whether France will guarantee convertibility of new Malian franc not yet known.

NIGERIA—Opening of 2 U.S. Consulates in Ibadan and Enugu, regional capitals serving Western and Eastern Nigeria, announced by State Department. Ibadan Consulate serves area of 45,000 square miles with 7 million people, Enugu Consulate serves area of 29,000 square miles with 8 million people. U.S. now has 3 Consulates in Nigeria, oldest having opened in 1959 in Northern Region's capital, Kaduna.

PANAMA—International Coffee Corporation of Denver, Colorado, has invested $2.5 million in Panama coffee cultivation. Firm owns one-fifth of 12,500 hectares in area acquired together with several other U.S. companies.

Programs totaling more than $27 million, to be completed by end next year, under consideration by Institute of Housing and Development (IVU), in hope of solving Panama's housing problem. Construction of 6,739 dwellings to be financed through Alliance for Progress, Inter-American Development Fund, and Development Loan Fund.

PHILIPPINES—Ismael Steel Manufacturing Co. assembling passenger cars and trucks under licensing arrangement with FIAT — making Ismael 14th assembler of cars and trucks in Philippines.

Leading German firm specializing in sugar mill machinery and allied chemical plants to help Philippines diversify sugar industry through proper utilization of by-products, according to *Philippine Newsletter*. Braunschweigische Machinenbauanstalt of West Germany has sent chief engineer to explore Philippine potentials for utilization of molasses and by-products.

SAUDI ARABIA—Near East radio reports indicate repair work on Hejaz Railway to begin about August 15.

SOUTH AFRICA—As expected, commercial banks' minimum lending rate reduced ½% to 5½% (INTERNATIONAL COMMERCE, July 9, p. 50).

Ramsey Corporation of America, subsidiary of Thompson Ramo Wooldridge, Inc., to open $616,000 (440,000-rand) piston ring factory.

SUDAN—U.S. Embassy reports substantial expansion cotton sales and export shipments with sales totaling 420,724 bales by June 15 and official exports of 209,000 bales, valued at $33.5 million, as of May 13.

Gum arabic crop also reported well above average although exports up to June 7 totaled only 12,582 tons compared with 15,405 tons for corresponding period in 1961.

THAILAND—General Electric, in competition with 8 other locomotive manufacturers, awarded contract to supply 40 diesel electric locomotives to Thai Royal State Railways, according to U.S. Embassy in Bangkok. Locomotives, individually valued at from $165,000 to $200,000, being purchased as part of 6-year railway development and modernization program. In addition, General Electric negotiating to provide supply locomotives and spare parts units for railway system.

Board of Investment announces Firestone Tire and Rubber Co. has received investment privileges for construction of $10.5 million automobile and truck tire manufacturing factory near Bangkok.

Trade bill passed by House being studied by business; Senate readies for hearing

Summary of Trade Expansion Act contained in House Ways and Means committee report listing principal features of the Bill and technical explanations

The "Trade Expansion Act of 1962", commonly called the trade bill, which was passed by the House of Representatives June 28th, will be considered by the Senate Finance Committee starting on July 18th.

Businessmen, as well as legislators, are now carefully considering what is in the bill, as passed by the House. The Report of the House Committee on Ways and Means (House Report No. 1818) contains a general discussion on the principal features of the bill, as well as a detailed technical explanation.

In brief, the President is authorized to enter into foreign trade agreements from July 1st, 1962, through June 30, 1967.

Pursuant to these agreements and in exchange for reciprocal tariff concessions from foreign nations, he is authorized to reduce duties by 50 percent of the July 1, 1962 level. He is also empowered to increase duties (by as much as 50 percent over the level of July 1, 1934) or impose other import restrictions. This is the basic authority.

Common Market authority

When the President has determined that the United States and the countries composing the Common Market (European Economic Community) together account for 80 percent or more of the free world trade of categories of goods, the President is authorized to reduce duties by more than 50 percent. In determining such categories, he will select an international statistical classification and the Tariff Commission will translate this into U.S. tariff terms.

The President is also authorized, in an agreement with the EEC, to reduce by more than 50 percent duties on articles referred to in Agricultural Handbook No. 143, U.S. Department of Agriculture, (September 1959), whenever he determines that such an agreement will assure the expansion of U.S. exports of like articles.

Tropical commodities

The President is authorized to reduce by more than 50 percent duties on tropical agricultural or forestry commodities when he determines that like commodities are not produced in significant quantities in the U.S. This authority is conditioned on a Presidential determination that the EEC has made a commitment with respect to its duties or other import restrictions which will tend to assure access to its markets for such a tropical agricultural or forestry commodity comparable to the access which such commodity would have to the United States markets.

The President may reduce duties by more than 50 percent where the rate was 5 percent ad valorem or less on July 1, 1962.

Limitations on authority

Before any trade concession is made, the President is required to furnish the Tariff Commission with a list of articles which he contemplates negotiating upon, and the Commission is required, within 6 months thereafter, to advise the President on the economic effect of any proposed trade agreement with respect to any article. Hearings must be held by the Tariff Commission and all interested persons must be given opportunity to present their views.

The President will also designate an agency to hold public hearings to consider the composition of the U.S. negotiating list and terms to be sought from countries involved in the proposed negotiation.

No tariff reductions or other trade concessions could be made on articles for which tariff relief action is in effect under the escape clause or national security provisions of this or any previous law. In addition, the President would be required, in certain circumstances, to reserve from negotiations any article with respect to which the Tariff Commission found that imports of such article were seriously injuring or threatening injury to the domestic industry concerned. These articles would be reserved for a 4-year period.

The bill retains present provisions governing the authority of the President to take action to adjust the level of imports when he finds they threaten to impair the national security.

In general, tariff reductions would be made in no less than five equal annual stages, except in the case of the exercise of the tropical commodity authority.

General provisions

The President is to appoint a Special Representative for Trade Negotiations to be the chief U.S. negotiator, with the rank of ambassador.

The Special Representative would be an ex-officio member of a Cabinet-level interagency trade organization to be established by the President, of which the Secretary of Commerce will be Chairman. It would advise him on trade agreement matters, including tariff adjustment for seriously injured industries, and foreign import restrictions.

Two members of both the House and Senate will be members of trade agreement delegations and observe negotiations in which the U.S. is participating.

A copy of each trade agreement entered into will be submitted to Congress by the President, with a statement of reasons for the agreement. In addition the President and the Tariff Commission will make annual reports to Congress on programs under the bill.

In general the benefits of tariff reductions under the bill will be extended to products of all countries. They will not be applied, however, to the products of Communist countries. The scope of the definition "Communist country" has been broadened with the intended effect of requiring denial of trade agreement benefits to products of Cuba, Poland, and Yugoslavia.

The President is required to do all possible to eliminate unjustifiable foreign import restrictions which impair the value of tariff commitments made to the U.S., discriminate against the commerce of the U.S., or prevent the expansion of trade.

He may not, however, give concessions on U.S. duties in order to accomplish this end.

The President is required, to the extent that such action is consistent with the purposes of the Act, to prevent the application of trade agreement benefits to products of countries which maintain unwarranted nontariff trade restrictions against the United States or which engage in discriminatory acts or policies which unjustifiably restrict United States commerce.

Adjustment assistance

Any industry, firm, or group of workers which may undergo serious injury as a result of a tariff concession may apply for relief, either in the form of a tariff increase or other import restriction, or adjustment assistance designed for the rehabilitation of individual firms and workers.

The Tariff Commission would investigate the eligibility of any applicant for such assistance.

Upon receipt of a petition, the Commission is required to determine whether as a result of trade agreements, an article is being imported into the United States in such increased quantities as to injure the domestic industry. The Commission is authorized to take into account all economic factors which it considers relevant, including idling of productive facilities, inability to operate at a profit, and unemployment or underemployment.

In the case of an application for nontariff adjustment assistance for firms, the test would be the same as the above. For a group of workers to be eligible, the import-injury to the workers' firm must have caused or threatened unemployment or underemployment of a significant number or proportion of the workers in the firm or an appropriate subdivision.

The Commission must complete the industry investigation within 120 days (which period may be extended 30 additional days by the President). Reports of determinations as to the basic eligibility of a firm or a group of workers to apply for adjustment assistance of a nontariff nature must be made by the Tariff Commission within 60 days from the receipt of any petition.

The Commission must report the results of all investigations to the President. Should the Commission find, in an industry investigation, that there is serious injury, it is required to make a finding as to the amount of tariff adjustment which is necessary to prevent or remedy such injury.

No industry can be given tariff adjustment, nor may any firm or group of workers be given adjustment assistance, unless there is a finding that the conditions in such industry or firm or the unemployment conditions within the group of workers, have been caused by increased imports resulting from trade agreement concessions.

Presidential action

After receiving an affirmative finding, the President is authorized to adjust the tariff not in excess of 50 percent above the July 1, 1934, rate of duty, or to impose additional import restrictions (such as quotas), or to permit the workers and firms in such industry to be certified to be eligible to apply for adjustment assistance, or to take any combination of such actions.

In cases where the President does not take the action found by the Tariff Commission to be necessary to prevent or remedy serious injury to an industry, the bill requires Presidential implementation of a Tariff Commission finding in an escape clause case upon the adoption by Congress (by a majority of the authorized members) of a resolution approving the action.

Assistance to firms

Firms certified eligible for adjustment assistance may file an application with the Secretary of Commerce. Such assistance is dependent upon a sound economical adjustment proposal, reflecting a maximum of self-help, and consideration of the interest of the firm's employees. Such adjustment may be in the form of technical assistance, loans, or loan guarantees or deferred loan participation agreements, or permission to carry back a net operating loss for income tax purposes for 5 years.

Assistance to workers

Adversely affected workers would be eligible to receive weekly allowances payable during periods of unemployment or retraining. They would also receive retraining, and in some cases, relocation allowances. Only workers employed substantially over the previous 3 years would be eligible, and they must have been working for at least 6 months for the firm affected by the imports. Their unemployment must be due to lack of work caused by increased imports.

The allowance would be 65 percent of the worker's average weekly wage, but may not exceed 65 percent of the national average manufacturing wage. Allowances are limited to not more than 52 weeks, except when necessary to complete retraining or for workers over 60 years of age, in which cases additional periods are provided.

New 'E' flag goes to Alaskan firm

Lumber company introduces new item in export trade

The Wrangell Lumber Company of Wrangell, Alaska, became the 47th winner of an "E-for-Export" award on July 9 as Governor William A. Egan presented the "E" pennant to company officials in ceremonies held in the Governor's office.

Alaska's first recipient of the "E" citation, signed by Secretary of Commerce Luther H. Hodges, was cited for making tremendous gains in its export volume.

By introducing Sitka spruce lumber as a new export item and by conducting an aggressive sales campaign, Wrangell's overseas shipments increased.

The company effected a breakthrough in the highly competitive Japanese market, through its superior marketing organization, the citation continued.

In addition, the lumber company's imaginative and aggressive export policy was also commended for the part this played in contributing to America's expanded export drive.

New warehousing center planned at Shannon airport

Shannon Airport, County Clare, Ireland will soon add a warehousing center to its already existing 300 acre industrial zone. Fast delivery to the European Common Market area is the goal of the expansion program. This duty-free airport is expected to be of particular value to American exporters.

Initial space of 100,000 square feet in the new warehousing center, is expected to provide a low-cost stockpile point from which goods can be shipped by either air or surface to the entire European market area. Goods can be imported to the Shannon airport free of duty and stored without bonding charges.

Low space rental rates will make it possible for U.S. firms to reduce overhead costs and provide quicker service to European customers, according to John Dilger, Shannon's commercial aviation manager.

Shannon, long noted for its duty-free tourist shop, established its industrial zone in 1959. It now has thirteen plants representing American, British, Dutch, German and Japanese companies. They are among more than 100 foreign concerns that recently have established plants in Ireland.

AT WORK OVERSEAS: Equipment units of Le Tourneau-Westinghouse Company are shown on the job at major construction projects in Spain, above, Japan, left, and Mexico.

AN 'E' WINNER'S STORY

Construction equipment firm sets export sales record in '61

Equipment introduced in 23 countries; overseas sales rose to new high, despite heavy market competition

Despite the growing intensity of overseas competition, an American firm with years of exporting experience has found aggressive salesmanship pays off.

Winning the "E-for-Export" pennant was just one of the successes achieved recently by Le Tourneau-Westinghouse Company of Peoria, Illinois.

One of the leading U.S. firms in the production and sale of motorized and earthmoving scrapers, tractor cranes, motor graders, off-highway haulers and transit mixers, it has exported its machinery since 1930 through exclusively franchised distributors.

In the past 10 years, stiff competition has developed for the new markets overseas.

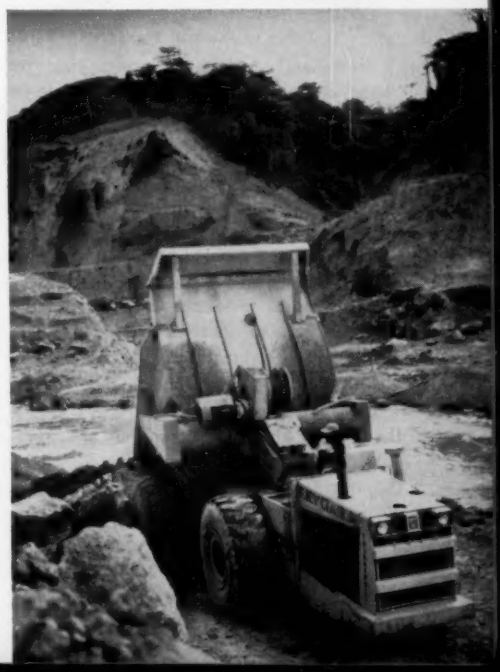
Aggressive selling

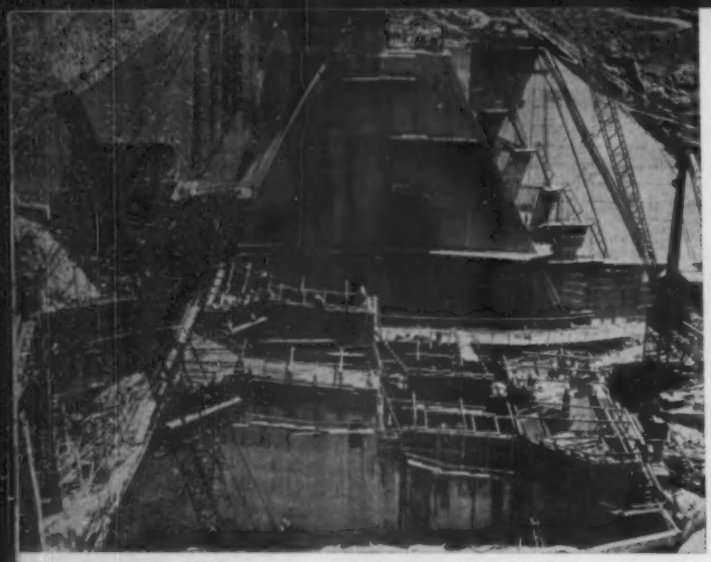
The company's aggressive selling efforts, however, brought record-breaking export sales for 1961. These sales were 33% higher than in 1960 and included shipments to Yugoslavia and Egypt.

In 1959 Le Tourneau-Westinghouse started to sell its new Haulpak. This heavy-duty off-highway hauler, which at first glance resembles an oversized truck, can carry a 65-ton payload to speed completion of major construction or development projects.

By the end of 1961, Haulpak equipment units were in use in 23 countries.

Then, on March 28, 1962, as a result of its hard-hitting campaign to sell more U.S. products abroad, Le Tourneau-Westinghouse Company was honored as one of the first 10 "E-for-Export" winners in ceremonies at the White House.





INDUSTRIALIZATION IN SOUTHEAST ASIA: As Malaya, Singapore and British Borneo's 3 states prepare for their debut as the Federation of Malaysia, the Cameron Highlands Hydroelectric Project strikingly exemplifies their new spirit of economic and social progress. Seen here in two aspects is the Project's Ringlet Falls dam site, 100 miles north of Kuala Lumpur. (Photographs by International Bank for Reconstruction and Development)

FIVE TO UNITE

Birth of Malaysia Federation seen as offering both promise, challenge to U.S. exporters

Keen British, Japanese competition can be offset by popularity of U.S. goods and catering to area needs

by Mirza T. Baig

Malaya Desk Officer
Office of Regional Economics

New and unique opportunities for American exporters and investors are on the horizon as Southeast Asian leaders move towards the creation by June 1963 of the Federation of Malaysia, uniting Malaya, Singapore and the 3 territories of British Borneo—North Borneo, Sarawak and Brunei.

There will be strong European (especially British) and Japanese competition, but American products are popular and can be sold in increasing quantities if attention is given to the area's special requirements.

Basic elements for a confederation of the 5 states already exist. They are members of a common currency system, share the traditions and institutions of British administrative, judicial and political practice, and, like most less developed countries, aspire to raise their level of economic activity and standards of living.

The formation of Malaysia will result in major economic changes: Internal tariff barriers will eventually be eliminated, with a common Malaysian external tariff wall embracing all 5 areas; Singapore undoubtedly will keep its free port status for entrepot goods, with a special "free zone" probably being designated for this purpose; labor is not expected to be allowed free mobility across state boundaries, but other economic factors would become more variable.

Malaya and Singapore are particularly intertwined in their trade relations. Malaya is heavily dependent on rubber and tin exports, which pass through Singapore in great volume on the way to world markets. Singapore, handling approximately 40% of Malaya's imports and 30% of its exports, derives considerable revenue from performing these services.

Singapore is also largely dependent on Malaya as a market. The 1.7 million people of Singapore are not numerous enough to consume the products of the island's infant but growing industries. Much of what will be manufactured as industry expands will have to be shipped across the causeway to Malayan buyers or exported to Indonesia, northern Borneo and other parts of Southeast Asia. Of Singapore's $1,103 million worth of exports in 1961, $295 million went to Malaya, its Number 1 customer. Even though only a few of these exported goods bear the "made in Singapore" label (the rest being re-exports), those few play an important role in the economic well-being of the state.

The Borneo territories are linked with each other, to Singapore and to Malaya. The primary products of North Borneo and Sarawak—rubber, timber, and spices—pass through Singapore for processing and packing on their way to world markets. In return, much of the Borneo territories' need for finished goods is

The author

serves in the Far Eastern division of the office of Regional Economics in the Department of Commerce. Born in Pakistan, where he lived for nine years, he received his high school education in England, and graduated from Harvard with a BA in Economics in 1957.

supplied via Singapore.

In 1960 Brunei exported $81 million to Sarawak out of total exports of $85 million (99% of this was crude oil), and out of Sarawak's total exports of $162 million, $66 million went to Singapore. North Borneo exported $8 million to Singapore in 1960, receiving $3 million from the island. One-quarter of Singapore's total world trade is with the other 4 areas of Malaysia.

Although politically divided today, Malaya and Singapore already constitute one economic unit which will function more smoothly under a confederated Malaysia. The Pan-Malayan economy (Malaya and Singapore) will unite an excellent harbor and world-wide trading and financial center to an essentially agricultural and mineral producer and exporter.

Industrialization is the objective in both Malaya and Singapore. In the larger Pan-Malayan area, the coordination of investment and industrialization plans and projects, the greater possibilities of a division of labor and the availability of a broader market, will act as incentives for more rapid growth.

In the past there has been some industrial competition between Malaya and Singapore, with waste and duplication of effort resulting from the establishment of identical industries. In one case an embryonic tariff war developed when both countries imposed protective duties on hard soap and biscuits.

Malaya imposes tariffs on many Singapore products. With the coming of Malaysia and the expected elimination of tariffs between the partners, manufacturing activity in the island is expected to increase considerably. Companies which have moved their operations to Malaya to hurdle the tariff wall may return to Singapore. In any event, further exodus should cease.

To a lesser extent the same advantages will accrue to Sarawak, North Borneo and Brunei. Access to a larger and protected market will spur interest in developing industries suited to the area, such as rubber processing and manufacturing, saw-milling, and woodworking.

The big problems are political. Many inhabitants of the Borneo areas fear they may merely exchange British for Malayan domination. They also fear that their development may be smothered by their more dynamic and advanced confederation partners.

The constitution of the Federation of Malaya sets aside special jobs and other privileges for persons of Malay extraction (as distinguished from Chinese, Indians and Pakistanis), and this is causing concern among the Chinese in Singapore and other races in Borneo.

American exports are concentrated in items necessary for immediate and pri-

Facts on Malaysia

Area 130,000 square miles
Population 10 million
Indigenous (Malays, Dyaks, etc.) 42%
Chinese 38%
Indians and Pakistani 10%
Others 10%
Per Capita Income (Malaya and Singapore) about $300
Total 1960 Imports
$2,310 Million [a]
Imports from U.S., 1960
$58 million [b]
Imports from U.S., 1961
$70 million [b]
Total 1960 Exports
$2,456 Million [a]
Exports to U.S., 1960
$175 Million [b]
Exports to U.S., 1961
$163 Million [b]

[a] *Figures taken from Malayan, Singapore and Borneo trade statistics.*
[b] *Figures taken from U.S. Census statistics.*

FIVE PARTNERS

Summary of resources and prospects.

Malaya. Rubber and tin exports account for 80% of foreign exchange, one-third of revenue, and fill one-third of world demand for both products.

Synthetic rubber, however, is making increasing inroads on natural rubber market.

Diminishing tin reserves are making production less profitable.

Farm production, crop diversification—notably palm oil and pineapples—backed by $180 million in Government's 5-Year Development Plan, 1961-65.

Industrialization being promoted through Pioneer Industries Act of 1958, giving tax-free status to 59 industries, with some raw-material imports duty-free. Government-backed Malayan Industrial Development Finance, Ltd., provides long-term capital. National Investment Co. spurs Malayans to enter business fields.

Singapore. World's largest rubber market, pepper-trading center, headquarters of large financial and business houses, and voluminous trade and transport make this island-state Southeast Asia's "great warehouse."

Industrialization is goal of Government's 4-Year Development Plan, 1961-64.

British Borneo (North Borneo, Sarawak and Brunei). Rich in timber, oil, rubber and largely undeveloped minerals, these 3 territories seek to develop small industrial enterprises, internal transportation, and educational facilities. Malaya and Singapore will have to lead in channeling capital and technical assistance to area. Foreign investors are needed to contribute to northern Borneo's economic development.

mary economic development of the 5 areas: heavy earth-moving machinery to build roads and clear jungles, and industrial equipment of all kinds.

Total 1961 American exports to the 5 areas amounted to $70 million. Of this, $16 million was in construction machinery and equipment; $15 million in industrial machinery; $10 million in cigarettes and tobacco; $6 million in chemicals; $6 million in foodstuffs; $5 million in textiles; and $3 million in metals and metal manufactures.

The effects of a common Malaysian tariff wall against these major American exports is hard to predict with any accuracy. At the moment, earth-moving equipment and industrial machinery enter duty-free, and this status should continue for several years. The area needs this equipment and there is no domestic industry to protect. In fact, imports of these two categories may well increase from year to year as Borneo is "opened up" and virgin parts of Malaya are cleared for settlement and industry.

Other major American exports already face varying import duties in Malaya and the Borneo territories, which most likely will be extended to Singapore after merger.

Investors' best bet

As Malaya and Singapore continue to industrialize after merger, demands will be made by newly developing industries for protective tariffs, and import substitution will come into force. This already is coming to be the case with petroleum products as new oil refineries in Singapore and planned ones in Malaya enter the picture. Other American products now or soon to be subject to protective tariffs include cigarettes, dyed synthetics, air-conditioners and domestic refrigeration units, powdered detergents, automotive parts, paints and varnishes, vitamins and vitamin preparations, and packaged frozen foods.

Most American goods shipped to Singapore are re-exported to neighboring countries such as Malaya, Indonesia, Thailand and Burma. If, as expected, Singapore establishes a free zone to handle this extensive entrepot trade, American exports to the island will not decrease by much after the formation of Malaysia. Only those items destined to be consumed within the Singapore economy will be subject to duties, and the amount involved here is not great.

Long-standing connections between the business firms of Malaya, Singapore and northern Borneo with British and other European firms and banks have set a pattern of preference for European technical standards and brands.

Aggressive salesmanship coupled with small investments and extension of technical services have made the Japanese important competitors for the Malaysian export market. But the popularity of American products is evident, and a U.S. firm—to cite a typical example—recently made a major sale of steel-making equipment to Singapore's new mill.

Inclusion of the 3 Borneo territories under the common Malaysian external tariff will have only a marginal effect on American exports. Any decreases due to new duties will be compensated for by increased demands caused by more active building, clearing, and the beginnings of industrialization.

Protection

Malaya itself is regarded by many businessmen as the best place in Asia to invest. Legislation such as the Pioneer Industries Act (relief from income tax) of 1958 and the Investment Guarantee Agreement concluded by the Federation of Malaya with the United States make investments profitable and safe. American companies have already invested in rubber, tin, toiletries, food production, chemicals, household appliances, batteries, and tobacco. Adding to these inducements are: free repatriation of profits; free convertibility of funds; no burdensome restrictions on the use of aliens in jobs which require special skills; the exceptionally cooperative attitude of the Malayan Government; and the general eagerness of the Government to attract foreign investment. All these combine to make Malaya's investment climate uniquely favorable in Asia.

With the advent of Malaysia many if not all of the favorable conditions in the Federation of Malaya today are likely to be extended to the other 4 areas of the confederation. Singapore and the Borneo territories already have the same kind of Pioneer Industry legislation.

Singapore's merger with Malaya and Borneo should eliminate much of the doubt and uncertainty of investing in the island, caused by labor unrest and the threat of political instability.

Just as the development of Borneo will increase trading opportunities, so, too, development will increase the demand for investment capital. North Borneo, Sarawak and Brunei have been largely neglected by American exporters and investors, partly because they are British territories and partly because they are remote and small. But this Asian frontier, as part of a new nation of Malaysia with over 10 million people, should receive a second look from American investors.

U.S. group to train industrial talent in Guinean school

AID loans $1.1 million for project; to produce foremen and instructors

The Agency for International Development (AID) has contracted with the American Organization for Rehabilitation through Training (ORT) Federation to establish a technical vocational training program in Guinea to assist industrial development in this West African nation.

Under the $1.1 million contract, the American ORT will establish a technical vocational school for training skilled mechanics and technicians, including special technical training for selected students who will then become instructors in this and other schools.

The school, first of its kind in Guinea, will be located in the capital city of Conakry. The school eventually will have a capacity of 200 students and once it is operational, will furnish approximately 20 instructors or foremen to industry each year.

The school's program includes courses in precision mechanics, technical drawing, maintenance mechanics, refrigeration and Diesel mechanics.

The contract amount will cover such major items as salaries for approximately 14 instructors in the Guinea school and procurement of equipment for vocational training. The new school is expected to open in time for the fall school year.

Tariff Commission hearing set on hatters' fur imports

The Tariff Commission has scheduled a public hearing for September 11 as part of its investigation to determine if hatters' fur is being imported into the U.S. in quantities that cause or threaten serious injury to the domestic industry.

The hearing will begin at 10 a.m. in the Hearing Room of the Tariff Commission Building, 8th and E Sts., NW., Washington, D.C. Interested parties desiring to appear and be heard at the hearing should notify the Secretary of the Commission, in writing, at least 5 days before the hearing.

The application is available for public inspection at the Washington and New York Commission.

U.S. exports insured up to 5 years by new FCIA medium-term policy

Will help Americans compete with long-insured rivals; program financed through 71 private firms and Eximbank

U.S. exporters may now obtain insurance covering credit and political risks in overseas sales made on terms of up to 5 years.

The newly-available medium-term policies can be obtained from the Foreign Credit Insurance Association (FCIA), which operates in cooperation with the Export-Import Bank of Washington.

This is the first time the U.S. has provided such medium-term assistance for American exporters on a mass basis, through private business facilities which include ready availability of policy application from insurance agents and brokers.

The FCIA's new coverage was simultaneously announced last week by Harold F. Linder, President of the Export-Import Bank in Washington, and by Henry G. Sheehy, President of the FCIA, in New York.

The FCIA has been issuing short-term export credit insurance (for transactions on terms up to 180 days) since February 5, 1962. Use of the new medium-term policy in conjunction with the existing short-term policy will enable exporters to insure against credit and political risks in transactions whose credit terms are anywhere within a 5-year range.

In the medium-term policy, exporters will be covered against loss of 85% of the financed portion of transactions for both credit and political risks. Credit risks are insolvency of the buyer and protracted default of payment by the buyer; political risks include such government actions as currency convertibility restrictions, export and import restrictions, war, revolution, civil commotion and expropriation.

The new insurance is available on a case-by-case basis. The FCIA will consider applications for a single sale to a foreign buyer or revolving sales to a foreign buyer. Exporters may cover as many or as few of their buyers as they choose during the policy year, since there is no flat "whole-turnover" requirement in the medium-term program. But should an exporter wish to insure on a "whole-turnover" basis, he may do so at a reduced premium and increase the political risk coverage to 90%.

As in the short-term policies, a contract form endorsement may be attached to the medium-term policy to extend the coverage during the period of fabrication or manufacture of the product.

Premium rates for the medium-term policy vary according to terms of payment and the buyer's country. Both FCIA and the Export-Import Bank indicate that the premiums and fees for medium-term insurance in the U.S. compare favorably with those charged by the leading credit insurance systems in other nations. In fact, in some instances, FCIA rates are lower than those charged by foreign insurers.

The FCIA was formed by private insurance companies late in 1961 at the suggestion of the U.S. Government through the Export-Import Bank. It is an unincorporated association whose membership now numbers 71 companies. Membership is open to all qualified and responsible insurance companies. Both the medium-term export credit insurance policy and the short-term policy are offered to exporters through agents of member companies and general insurance brokers throughout the U.S.

Announcement of the FCIA's new medium-term policy rounds out the association's basic program. The 2 policies are designed to help American exporters meet increasing competition from foreign exports who, for the most part, have the benefit of export credit insurance plans abroad.

Two salient benefits will be provided to U.S. exporters who use FCIA policies.

First, the exporters themselves will be in better position to extend credit to overseas customers, because the substantial portion of risks in the transactions are covered by the insurance.

Second, exporters will be able to obtain financing more readily from commercial banks and other financial institutions when their foreign accounts receivable are so insured.

In addition, U.S. commercial banks should find FCIA policies attractive in connection with the financing of overseas sales, since proceeds of the policies are assignable to banks.

Current Export Bulletin available for exporters

A "CURRENT EXPORT BULLETIN," under date of June 28th, has been published by the Department's Bureau of International Programs, Office of Export Control, as a supplement to the Comprehensive Export Schedule.

Subjects covered in the bulletin are:

- Destination control statement for certain commodities exported under a general license.
- Shipments under General License GLV.
- Exportations to foreign vessels or aircraft in foreign ports.
- Revision of list of commodities exportable under General License GLSA.
- Description of commodities on shipper's export declaration.
- Requirement of shipper's export declaration for exportation to Canada.
- Revision of denial and probation orders.

Businessmen concerned with export regulations and interpretations may subscribe to the bulletin. The rate for the Comprehensive Export Schedule and all current Export Bulletins issued for 1 year ending March 31st, 1963, is $6.00 to a domestic address, $7.50 to a foreign address. Individual copies of the Bulletins may be purchased for 25 cents from Department Field offices, or from the Department of Commerce, Sales and Distribution office, Washington, D.C.

U.S. plans to participate in Bulgarian exposition

The U.S. will participate for the second year at the International Fair of Plovdiv, Bulgaria, Sept. 16-30. Theme of the U.S. exhibition will be "Consumer Products Foster Healthy Enterprise."

About 750,000 people are expected to attend the U.S. exhibit, being staged by by the Department of Commerce's Office of International Trade Fairs in collaboration with U.S. industry.

The Bulgarians will be shown U.S. packaging methods, typical appliances and furnishings found in an average American suburban home, the fabrics and fashions worn by most Americans, a variety of recorded music and record playing equipment, auto testing and repair equipment, and new agricultural methods and equipment.

Further information is available from the Office of International Trade Fairs, U.S. Department of Commerce, Washington 25, D.C.

Business asks —he answers

Commerce Department Field Office Manager has countless sources around the world providing daily business information

He might be called the "answer man". He is one of 34 Commerce Field Office managers in the United States. His name is Anthony J. Buchar and in Chicago he is known as "Tony". He is the local representative for many government bureaus, for overseas commercial officers, and for the export expansion promotion campaign in the Chicago area. He has many duties but three stand out as extremely important at this time. The first, of course, is the constant effort to increase the export trade activities of firms in the Chicago area. Second, is assistance to the Chicago World Trade Fair, and third is the processing of nominations for the Department's "E-for Export" awards.

From Honolulu to Miami, in each of the 34 field offices, businessmen are welcomed as "clients".

The offices carry out the programs of the Business & Defense Service Administration, Bureau of International Programs, Bureau of International Business Operations, and Office of Business Economics. They also assist the other Department bureaus, Census, Patents, Standards, Travel Service, and Area Redevelopment. A trained staff of business specialists work in each office, assisting in the solution of business problems, furnishing information and publications, and providing counsel on both domestic and foreign business. For businessmen interested in buying from, selling to, or making proposals to the Federal Government, the office can provide valuable assistance. Executives making trips overseas can arrange appointments through the local office. Local firms needing fast factual answers can be put in direct contact with the right source through a Field Office. Thousands of businessmen have found them profitable and efficient business assistants.

A few moments in a Field Manager's day

Left, opposite page—"Tony" Buchar, Field Office manager, examines a shipment of fabricated steel about to be loaded aboard ship for Kowait. Much of his time is devoted to helping Chicago firms get new accounts overseas.

Right, opposite page—Buchar meets with officials of International Harvester to discuss company's use of "E-for-Export" symbol as an internal export sales incentive.

Above—Tony meets with field office staff to discuss an "Operation Brief Case Project" designed to attract newcomers to international trade.

Right—Tony looks over plans for the Chicago World Trade Fair with officials of the Chicago Association of Commerce and Industry.

Below—Capping a long, hot day (the mercury hovered at an uncomfortable 92 degrees), Tony hatches new plans and projects with officials of Quaker Oats, C. S. Greene & Company and the Northern Trust Company.

Horticulture display set in Hamburg

Expected to offer opportunity for garden equipment trade

U.S. companies have been invited to display horticultural equipment and products in an industrial show in Hamburg April 26-Oct. 13, 1963.

The show, Technique in Horticulture, is being planned by the city of Hamburg and the Central Association of German Vegetable and Fruit Growers and Horticulturists in Bonn.

The U.S. Consulate General in Hamburg reports that "the scope of this important exhibition provides an opportunity for U.S. manufacturers and exporters of many kinds of garden and nursery equipment and materials to display their products."

Further information is available from the Fairs and Exhibition Section, Office of International Trade Fairs, U.S. Department of Commerce, Washington 25, D.C. or Internationale Gartenbau-Ausstellung, Planten un Blomen, Hamburg, West Germany.

Construction exhibition scheduled in Madrid

The first International Exhibition of Construction will be held Sept. 26-Oct. 26 in Madrid.

U.S. firms interested in the various problems of construction and who want to enter into an expanding market have been invited to attend.

The exhibit is authorized by the Spanish National Syndicate of Construction, Glass, and Ceramics and by the General Direction for Commercial Expansion, Madrid.

The National Syndicate announced recently that all interested firms dealing with construction (either directly or indirectly), from manufacturers of material for public works to tools and equipment such as sanitary installations and plastics, will be presented.

The display will coincide with the fourth World Congress of Highways, organized by the International World Federation, and with the first Colloquium on Public Works. Both will be held in Madrid.

FIRST TRIP ABROAD: Chicago educator Neal Simeon, examining a model exhibit, will make his first trip abroad when he goes to the international trade fair in Lagos, Nigeria, Oct. 27-Nov. 18. He will manage the vocational training exhibit. The U.S. will participate for the first time at the fair.

AT FAIR IN LAGOS

Chicago educator to manage vocational training exhibit

U.S. schedules first official exhibit in Nigeria; theme to cover new skills, tools and markets

A Chicago educator, Neal Simeon, will man the vocational training exhibit in the U.S. pavilion at the Lagos, Nigeria, International Trade Fair Oct. 27-Nov. 18.

This will be the first trip abroad for Simeon, a native Chicagoan, who has been with that city's school system for 20 years. He is director of the Vocational Education, Chicago Board of Education.

The U.S. will officially participate for the first time in the Lagos fair. The exhibit will mark the fourth appearance of the U.S. in international trade fairs in Africa this year.

Theme of the U.S. exhibit will be "New Skills—New Tools—New Markets." It will be carried out by showing examples of education for industry, agriculture and commerce.

A focal point will be a classroom where Simeon will teach. In the classroom, closed-circuit television monitor screens will show the work performed simultaneously in the several exhibits of small industrial shops in other areas of the U.S. pavilion.

The TV cameras will pick up exhibits such as a metal working shop where Nigerians, trained at the fair site, will operate several metal-forming machines designed to shear, rool, roll, bend, fold notch, punch, and crimp sheet metal.

At an automobile maintenance center, other U.S.-trained Nigerians will demonstrate devices for tuning and testing motor vehicles, plus modern equipment for changing tires.

These demonstrators will be picked up by the TV cameras and seen on the screens of the monitors in Simeon's classroom.

Conference for unity of Americas to open July 22

Commerce official to serve on economic development panel

Mutual development will be the key phrase at the 1962 Conference for the Unity of the Americas which starts next week in Chicago.

The meeting, to be held July 22-25, will concern itself with unity in several fields, including economic, industrial, educational and cultural.

Outstanding representatives from practically every country in this hemisphere are scheduled to attend. Representing the U.S. Department of Commerce will be William B. Dale, Deputy Assistant Secretary of Commerce for International Affairs.

He will serve on the 16-member panel concerned with economic development in Latin America. He is scheduled to give a talk on this subject.

Other panel members include well-known business, government, and university officials from both Americas.

Problems to be discussed by the economics panel include:

❶ Expansion of commercial interchange to facilitate inter-American investment and trade.

❷ How Latin American business views the Alliance for Progress.

❸ Economic development and the best ways to implement it.

❹ The implications of Cuba for the hemisphere.

❺ Role of U.S. business in the preservation of the democratic system throughout the Western Hemisphere.

❻ Emerging trends of labor.

❼ Transportation—a vital link in the development of every nation.

❽ Agriculture—food for a hungry world and the foundation of national economy and well-being.

The Conference will be held at the Palmer House Hotel July 22-24. The final meetings on July 25 will take place at McCormick Place.

Conference members and visitors have been invited to attend the fourth International Trade Fair which will be held July 25-Aug. 12.

Additional information is available from the Conference for Unity of the Americas, 140 S. Dearborn St., Chicago 3, Ill.

International fair at Chicago expected to attract 750,000

112 U.S. firms to exhibit; 25 nations to participate; wide range of equipment to be displayed at exposition

Approximately 750,000 persons are expected to visit the fourth Chicago International Trade Fair which opens next week for a 19-day run.

Objective of the exhibit, to be held July 25-Aug. 12, is to promote sales through normal trade channels at the exporter, importer, wholesaler or industrial levels.

A total of 112 U.S. firms plan to mount exhibits at the show, according to the fair management.

Exhibitors will come from transportation companies, banks, service organizations, manufacturers, exporters, importers and trading companies.

The U.S. Department of Commerce has prepared a trade promotional display 20 feet long and 8 feet high for presentation at the fair.

The Commerce exhibit, designed to encourage U.S. businessmen to "Go Marketing Around the World," was prepared to provide continued and increasing support to the National Export Expansion Council through the use of visual presentations at trade fairs and conventions.

Foreign representation

Twenty-five nations will present national pavilions at the exhibition, according to Ralph Bergsten, managing director of the fair. They include:

Nationalist China, Italy, Peru, Mexico, the United Arab Republic (Egypt), Israel, the Philippines, Spain, Brazil, Ecuador, Chad, Greece, Japan, Bulgaria, France, West Germany, Austria, Poland, Yugoslavia, Finland, Lithuania, Lebanon, Colombia, Malaya, and British Columbia, Canada.

Over 2,000 visitors from abroad are expected to attend.

A wide range of equipment will be exhibited at the fair, including textiles, sportswear, works of art, glassware, luggage, furniture, lamps, hardware, musical equipment, foodstuffs, camping equipment, office equipment, cameras, automotive parts and accessories, and others.

Seminars planned

The fourth annual World Marketing and Economic Development Conference will be held in conjunction with the fair. It will bring U.S. and foreign business and government leaders together for a series of seminars on:

Mining, financing, international trade, research for progress, transportation, joint ventures, hospital construction and administration, and school construction.

Further information about the fair is available from the Chicago International Trade Fair, 30 W. Monroe St., Chicago 3, Ill.

COMMERCE EXHIBIT: Pictured above is the trade promotional display prepared by the U.S. Department of Commerce for use at the Chicago International Trade Fair. The fair will be held July 25-Aug. 12.

Earliest tariffs primarily source of revenue; import battle brought many changes

Equality of treatment among nations a stated objective of U.S. commercial policy; broadened international outlook involves diplomacy & trade

By EUGENE M. BRADERMAN
Director
Bureau of International Programs

(Second of a series)

The earliest tariffs of the United States were primarily regarded as sources of revenue but they did contain some elements of protection.

Most tariffs were not exorbitantly high prior to the Civil War. Subsequently, however, and as an accompaniment to the influence of the industrial revolution on the United States and the growth of manufactures, high protective tariffs came into vogue. New industrial enterprises were looking for protection against manufactured goods which had been imported fairly freely before that time.

From the Civil War through the decade of the 1920s our tariffs were generally characterized by political give and take. The creation of a Tariff Commission in 1882, the Tariff Board in 1909, and a new Tariff Commission in 1916 produced no essential change in tariff-making procedures.

The last general act of Congressional tariff-making began late in 1928, when the Congress began consideration of a bill to provide higher tariffs on agricultural imports.

As the depression spread from agriculture to other sectors of the U.S. economy, a limited tariff revision proposal was broadened into a bill for new tariff increases across the board. Support naturally came from economic interests seeking protection as well as from those who believed we could export the depression.

With the passage of the Smoot-Hawley Tariff Act in 1930, the United States reached a high point in the battle against imports. It is interesting to observe that 33 countries protested against the passage of the Smoot-Hawley tariff. Many instituted similarly high tariffs. Others sought refuge in import quotas and exchange controls.

Since the earliest days of our history, equality of treatment among nations has been a stated objective of U.S. commercial policy.

Most favored nation policy

The purpose of most-favored-nation (m.f.n.) treatment is to avoid discrimiantion in international trade. Under it, contracting nations agree to accord to the products of each other no less favorable treatment, as far as tariffs and other trade barriers are concerned, than that accorded to the products of any third country.

When 2 countries make such arrangements, and extend the benefits to third countries only in exchange for a specific *quid pro quo*, this is conditional m.f.n. If the benefits are automatically generalized or extended to other countries, then you have unconditional m.f.n.

Until the close of World War I, the U.S. sought to achieve equality of treatment via the conditional use of m.f.n. But it soon became clear that this policy was not consistent with the principle of equality. Moreover, United States products became more vulnerable to discrimination in foreign markets as exports of manufactured goods became more significant.

In 1923 President Harding and Secretary of State Hughes made unconditional m.f.n. the policy of the United States. It has remained so until the present day with some few exceptions.

An example of an exception beneficial to the foreign country were the tariff and quota provisions embodied in the 1946 Trade Agreement between the Philippines and the United States. These went beyond the benefits normally accorded by a most-favored-nation clause.

A restrictive exception is that applied by the United States to the Soviet bloc. Aside from Poland, these countries do not receive most-favored-nation treatment.

Trade agreements act

In 1934 the Congress enacted the Trade Agreements Act. It was largely an amendment to the Tariff Act of 1930.

The passage of that Act moved the Executive Branch on to a new stage in the formulation of foreign economic policy. Delegations by the Congress to the President have been temporary and have required renewal or extension of that authority. Yet it may be said that this grant of authority to the Executive Branch of the Government provided a springboard from which the United States broadened its international economic outlook, and later moved into new policy and program areas which had previously been outside the realm of government action.

In order to meet our current vastly increased international responsibilities, the character of the activities of our Government has changed tremendously.

The involvement of diplomacy with questions of trade, finance, transportation, agriculture, economic assistance, military security, and the like has moved foreign policy and foreign economic policy out of the orbit of a single department and has made it the proper concern of many federal departments and agencies.

Today, much of our foreign policy is applied through export and import programs. Our foreign economic and commercial policies, moreover, are of prime importance in almost all our international negotiations.

(This article, and subsequent parts of the series, are adapted from Volume 21, Number 4, of the Federal Bar Journal, and are printed with that publication's permission.)

the author

directs the Commerce Department's bureau concerned with fostering and promoting the foreign commerce and economic strength and security of the U.S. A native of Philadelphia, he has travelled widely and participated in a variety of U.S. special missions. As a career Civil Service economist, he has been concerned with international trade affairs for over 20 years.

World Trade Opportunities

Water treatment project opens for bids in Viet-Nam

A new water treatment project in Viet-Nam, estimated to cost over $10 million, is open to U.S. bidders.

The project calls for construction of a water treatment plant, pumping stations, and associated works.

U.S. firms who want prequalification documents should express their interest before July 21 to Water Office Consultants, Hydroelectric Corp., P.O. Box 1067, Saigon, with a copy to Hydrotechnic Corp., 32 E. 57th St., New York 22.

The application should include name of firm, country, full address, name and title of person to whom correspondence should be directed, as well as information on the firm's qualifications to undertake the work.

Only firms prequalified by Saigon Water Office will be invited to bid.

The project, financed under DLF loan, is open to worldwide bidding.

European organization seeking U.S. agency

A European organization is seeking agencies for U.S. products on a European-wide or individual European country basis.

The organization is well established with offices in Sweden, Norway, Denmark, Finland, West Germany, Holland, Belgium, France, Italy, Spain, Great Britain and Switzerland.

Any technical product representing a new development in its field with good consumer possibilities will be considered.

The consumers are any industries having a steam-producing plant, such as paper, textile, cellulose, process, and chemical industries, and manufacturers of steam-raising or steam-operated plants.

U.S. producers interested in a European agency should write Borg Service International S.A., Breitingerstrasse 21, Zurich 2, Switzerland.

Hong Kong extends bid date for laundry equipment

Bid deadline for submission of tenders for supply and installation of laundry equipment at Queen Elizabeth Hospital in Hong Kong has been extended from July 6 to noon July 27. (INTERNATIONAL COMMERCE June 25, p. 10.)

Meter, warehouse, cable tenders open in Greece

Three new Greek tenders, cost estimated at $6.5 million, have been opened to U.S. bidders.

Specifications are as follows:

Displacement water meters, 10,000 ½ in., 10,000 ⅝ in., with tailpieces and nuts; estimated cost $2.5 million; bid deadline Aug. 7; Greek Water Co., 4 Kolokotroni St., Athens.

Prefabricated grain storage warehouses, total capacity 25,000 metric tons; estimated cost $1 million; bid deadline Aug. 6; State Purchases Directorate A', Ministry of Commerce, 16 Aghiou Constantinou St., Athens, for supply and installation.

Secondary single ph. concentric cables; estimated cost $3 million; bid deadline Aug. 10; Public Power Corp. (PPC), 30 Chalkokondyli St., Athens.

Copies of the bid documents are available on loan from International Trade Opportunities Division, BDSA, Room 4016, U.S. Department of Commerce, Washington 25, D.C.

Airport representation sought by Ceylonese firm

Brown & Co., Ltd., Darley Rd., Colombo, a Ceylon import, export, and manufacturing firm, is seeking to represent U.S. firms interested in bidding on construction and supply of the Katunayake Airport Project, bid deadline Oct. 1. (INTERNATIONAL COMMERCE, July 2, p. 16.) Brown & Co. point out that firms undertaking work of this nature in Ceylon usually require an agent to purchase local material, provide necessary workshop facilities, and do general liaison work. Brochures are available on loan from Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C. (WTD 5/11/61.)

Argentina extends date for sluice gate bids

Agua y Energía Eléctrica, Buenos Aires, has extended the bid deadline on public tender 162/61 (now 162/62) from June 4 to noon Aug. 6.

The tender calls for supply and installation of sluice gates, driving mechanisms, and electrical installations for the Ullum hydroelectric powerplant in the province of San Juan. (FCW, Dec. 11, 1961, p. 8; Apr. 16, 1962, p. 653.)

24 tenders for chemicals, oils

India has issued 24 new tenders to U.S. bidders. The particulars are as follows:

TENDER NO.	MATERIAL	QUANTITY
39/62	Phenylaectic acid	100.0 metric tons
40/62	n. Butyl acetate	340.0 metric tons
41/62	n. Butyl alcohol	125.0 metric tons
42/62	Formaldehyde	71.0 metric tons
43/62	Octadecanol	6.0 metric tons
44/62	Phenylacetamide	5.0 metric tons
45/62	Potassium hydroxide	123.0 metric tons
46/62	Potassium dihydrogen phosphate	400 kilograms
47/62	NH Dibenzylethylene diamine diacetate	200 kilograms
48/62	Methanol	228.0 metric tons
49/62	Brewers yeast	70.0 metric tons
50/62	Defoamer Mobil par S	8.0 metric tons
51/62	Soluble vegetable protein	56.5 metric tons
52/62	Soybean oil	6.5 metric tons
53/62	Soybean meal extracted	730.0 metric tons
54/62	White oil, technical	102.0 metric tons
55/62	Calcium chloride	96.0 metric tons
56/62	Propylene glycol	1.1 metric tons
57/62	Procaine hydrochloride	11.7 metric tons
58/62	Aluminum strips	19.5 metric tons
59/62	Isopropyl alcohol	10.8 metric tons
60/62	Sodium carbonate	93.0 metric tons
61/62	Dextrose	353.0 metric tons
62/62	Acetone	60.0 metric tons

Bids are being invited until July 23 by the Purchase Officer, Hindustan Antibiotics, Ltd., Pimpri, near Poona, India.

Copies of the bid documents are available from Chemical & Rubber Division, BDSA, Room 4425, U.S. Department of Commerce, Washington 25, D.C.

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classifications. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $2.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

Every effort is made to include only firms or individuals with a good reputation; the Department of Commerce, however, cannot be responsible for any resultant trade relations.

(★) indicates additional information on the export, import or international representation opportunities may be borrowed by U.S. firms in this country from the Business Services Division, BIBO, U.S. Department of Commerce, Washington 25, D.C.; telephone WO 7-2381.

(★★) indicates opportunities obtained by U.S. trade missions to other countries. A (*) following these indicates that additional information may be acquired by writing International Activities Staff, Attention E. Craig Wilton, Business & Defense Services Administration, U.S. Department of Commerce, Washington 25, D.C.

(☆) indicates tenders invited by foreign borrowers under Agency for International Development (AID) loans.

(●) indicates that the trade opportunity represents a request for bids by a foreign government agency.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $1 each from the Commercial Intelligence Division, BIBO, U.S. Department of Commerce, Washington 25, D.C. The date following the letters WTD refers to the date of issuance of the report.

200 Foods

Germany

All kinds of foodstuffs sold in grocery chainstore; canned, frozen, dried. Karl Gaissmaier KG (importer, wholesaler, retailer), 25 Boschstrasse, Ulm a.d. Donau. WTD 6/12/62.

Syrian Arab Republic

Canned food products, fruits, milk, cheese, butter, grocery products and supplies, beverages, jams. Vartkes Chamlian (importing distributor), Jedeydeh St., Aleppo. WTD 6/8/62.

201 Meat Products

Lebanon

All kinds of frozen, canned meats. Direct purchase and agency. Barakat Grocery (importing distributor, commission merchant), P.O. Box 3101, Ras Nabeh St., Beirut. WTD 6/25/62.

203 Canning, Preserving Fruits, Vegetables, Seafoods

Ireland

Fruit juices such as tomato, citrus, grape for bar, domestic use; especially interested in plastic packaging, otherwise canned items; not interested in bottles. D. E. Williams, Ltd. (distiller, manufacturer, importer, wholesaler, retailer), Tullamore, Co. Offaly.

208 Beverage Industry Products

Ireland

Instant chocolate flavored drinks. D. E. Williams, Ltd. (distiller, manufacturer, importer, wholesaler, retailer), Tullamore, Co. Offaly.

209 Miscellaneous Foods

Australia

Solvent extracted soybean meal used in stockfeeds. Cargo Stockfeeds Pty., Ltd. (manufacturer), 8 Gladstone St., Newton, Sydney, N.S.W. WTD 2/21/61.

Ireland

Mixed nuts, olives, bacon rinds, cheese crackers, suitable for bars, restaurants; samples if possible. D. E. Williams, Ltd. (distiller, manufacturer, importer, wholesaler, retailer), Tullamore, Co. Offaly.

222 Broad Woven Fabric Mill Products, Manmade Fiber, Silk

Denmark

Nylon piece goods for manufacture of baby carriage sets, baby buntings, baby jackets, dressing gowns. Leif R. Ebbesen (manufacturer), 340 Skodsborgvej, Naerum. WTD 5/29/62.

225 Knitwear

Germany

Knitwear; requests samples, quotations. Franz Jacobi, Rheintextil (purchasing organizatiton), 67 Sachsenring, Carl Friedrich Haus, Cologne. WTD 11/28/60.

234 Women's, Misses', Children's, Infants' Undergarments

Germany

Petticoats, dressing gowns, nontransparent nylon lingerie for ladies, teenage girls, children; requests samples, quotations. Franz Jacobi, Rheintextil (purchasing organization), 67 Sachsenring, Carl Friedrich Haus, Cologne. WTD 11/28/60.

243 Millwork, Veneer, Plywood, Prefabricated Structural Wood Products

Germany

Walnut veneers. Karl Gutmann (manufacturer), Unterkirnach/Schwarzwald. WTD 6/18/62.

Saudi Arabia

Flush wooden doors; standard, superior quality. Nassir Hazza & Bros. (importer, retailer, wholesaler, manufacturer, contractor, commission agent), P.O. Box 12, Alkhobar. WTD 8/1/61.

262 Paper Mill Products

Netherlands

Fancy packaging paper in colors or printed; requests samples, price lists. Firma J. P. C. Vreugdenhil (importer, wholesaler), Groothandelsgebouw, 38 Conradstraat, Rotterdam 4.

263 Paperboard Mill Prdoucts

Ceylon

● Strawboards, 3,650 in various weights per board, 30½ x 25½ in.; bid deadline Aug. 21. Chairman, Tender Board, Ministry of Finance, P.O. Box 500, Colombo.★

281 Industrial Chemicals

United Arab Republic

Raw materials for manufacture of dry cell batteries. Mohammed Hassan Gemei, Gemei Battery Co. (manufacturer), 6 El Gameh St., Agouza, Dokki, Cairo. WTD 6/8/62.

282 Plastics Materials, Synthetic Resins, Rubber, Other Manmade Fibers

Greece

Cellophane sheeting. Direct purchase and agency. Alexandros Antonoglou (importer; sales, manufacturer's agent), 15 Vasileos Heracliou St., Thessaloniki.

287 Agricultural Chemicals

Ireland

High-grade muriate of potash, min. potassium content 50%, not more than .5% moisture, from 15-20,000 long tons annually, bulk cargoes for ports of Cork, Waterford, Foynes. Irish Sugar Co. (manufacturer, importing distributor), 7 Clare St., Dublin.

306 Fabricated Rubber Products

Saudi Arabia

Rubber floor tiles. Nassir Hazza & Bros. (importer, retailer, wholesaler, manufacturer, contractor, commission agent), P.O. Box 12, Alkhobar. WTD 8/1/61.

307 Miscellaneous Plastics Products

Germany

Plastic kitchen utensils. Friedrich Kranz (wholesaler), 11 Oberreihe, Bremen-Lesum.

316 Luggage

Canada

Zipper travel bags, top quality. Pan Oceanic Trading, Ltd. (importer, exporter, distributor), 826 Homer St., Vancouver, B.C. WTD 8/23/61.

331 Blast Furnace, Steel Works, Rolling, Finishing Mill Products

Ceylon

● Corrugated steel sheets, galvanized, containing 8 3-in. corrugations, 7,360, various sizes; bid deadline Aug. 28. Chairman, Tender Board, Ministry of Finance, P.O. Box 500, Colombo. Specifications available from Embassy of Ceylon, 2148 Wyoming Ave., NW., Washington 8, D.C. ★

● Galvanized steel sheets: 6,000, 8 ft. x 36 in. x 24 gage; 5,000, 8 ft. x 48 in. x 24 gage; bid deadline Aug. 28. Government Stores Dept., Ministry of Finance, P.O. Box 500, Colombo. Copies of specifications available from Embassy of Ceylon, 2148 Wyoming Ave., NW., Washington 8, D.C. ★

Germany

Wire, nails, other hardware. Friedrich Kranz (wholesaler), 11 Oberreihe, Bremen-Lesum.

Ireland

Stainless-steel sheets, bars, tubes, strip, steel tubing, heavy gage, solid drawn, suitable for ammonia, ½-15 in. A.P.V. Desco (Ireland), Ltd. (manufacturer), Long Mile Rd., Drimnagh, Dublin.

Israel

☆ Armco, or equal, galvanized steel "zinc-grip" in coils, surface treated, oiled, 90,000 lb., 0.7 x 247. Loan 28; U.S. source. Subauthorization 791/1/19. Bid deadline July 19. Government of Israel Supply Mission, 850 Third Ave., New York 22, attention N. Nisen. Tenders should refer to S/A number, be prepared on basis of f.a.s. U.S. port of exit, delivery desired by Aug. Prices should be itemized and show both trade and cash discounts. Suppliers may devise own forms, in duplicate, for submitting tender to buyer.

Yugoslavia

☆ Structural steel, item req. 2765-102-B; ref. DLF 28. Bid deadline July 26. Invest Import, Terazija 5, Belgrade. Detailed specifications available from Foster Wheeler Corp., 666 Fifth Ave., New York 19, attention R. F. Lunger.

335 Rolling, Drawing, Extruding Nonferrous Metals

Greece

● Lead in sheets, 30 tons; estimated value $11,000; tender 5976, bid deadline noon Aug. 3. Greek Telecommunications Organization (OTE), 4 Sophocleous St., Athens. ★

Israel

☆ Electric-weld tubing; flash removed both in and out; lengths of 20 ft. with permissible allowance of 5% shorts but not shorter than 12 ft. Loan 28; U.S. source. Subauthorization 791/1/38. Bid deadline July 20. Government of Israel Supply Mission, 850 Third Ave., New York 22, attention N. Nisen. Tenders should refer to S/A number, be prepared on basis of f.a.s. U.S. port of exit, delivery desired by August. Prices should be itemized and show both trade and cash discounts. Suppliers may devise own forms, in duplicate, for submitting tender to buyer.

336 Nonferrous Foundry Products

Germany

Cast-aluminum kitchen utensils. Friedrich Kranz (wholesaler), 11 Oberreihe, Bremen-Lesum.

342 Handtools

Ethiopia

☆ Saw, 1.10 m. diam., automatic bandsaw sharpening machine type, AUSHA, 12 blades 7.800 x 130 mm., ready for use. Loan 165; worldwide. Bid deadline July 27. Sig. Iamele Giuseppe, P.O. Box 1564, Addis Ababa.

Rhodesia, Nyasaland

Insulated portable coolers. Gourock Ropes & Canvas (Rhodesia), Ltd. (importing distributor, manufacturer), P.O. Box 277, Salisbury, Southern Rhodesia. WTD 6/22/62.

Thailand

☆ Pole line hardware. Loan 19; worldwide. Invitations PDC-MEA-126, PDC-MEA-127. Bid deadline July 20. Metropolitan Electricity Authority, 121 Chakraphet Rd., Bangkok. Copies of bid invitation available from Financial Counselor, Embassy of Thailand, 2490 Tracy Pl., NW., Washington 8, D.C. ★

346 Metal Stampings

Germany

Kitchen utensils. Friedrich Kranz (wholesaler), 11 Oberreihe, Bremen-Lesum.

348 Miscellaneous Fabricated Wire Products

Ethiopia

☆ Wire rope, miscellaneous supplies. Loan 193; U.S. source. Invitation 29540. Bid deadline July 20. Imperial Highway Authority, P.O. Box 1770, Addis Ababa.

349 Miscellaneous Fabricated Metal Products

Australia

Flexible metal tubing. Direct purchase and exclusive agency. Stuart Fell & Co. Pty., Ltd. (importing distributor, manufacturer's agent), 125 William St., Melbourne, Victoria. WTD 6/12/62.

351 Engines, Turbines

India

☆ Diesel locomotives for construction of concrete dam and tunnel in Umiam Hydel Project, 4. Loan 141; U.S. source. Ref. BP.XI/62/FE/28/5166. Bid deadline July 20. Office of Chief Engineer (Civil), Assam State Electricity Board, Shillong, Assam, where quotations should be sent c.i.f. Indian Port, air mail. ★

352 Farm Machinery, Equipment

Germany

Agricultural, garden tools. Friedrich Kranz (wholesaler), 11 Oberreihe, Bremen-Lesum.

Korea

● Cultivator, 2-row rear mounted, row spacing 26-42 in., complete with 3 point hitch; potato planter, planting width 32-42 rows, seed spacing 5-20 in., seed hopper capacity 450 lb. each; 1-row potato digger with adjustable rod link elevator from 21-31 in. height, continuous apron 23 elevator; pesticide sprayer with single cylinder pump, gasoline engine operated, capacity 2 g.p.m.; combination duster, mist blower for 1-man operation, padded back and shoulder straps, 1 hp., 2 c., 7,000 r.p.m. engine, liquid tank net weight 25 lb.; estimated value $3,554; tender KFX-2062-F, PR 62-36, bid deadline 10 a.m. Aug. 1. Office of Supply, Government of Republic of Korea, Seoul. Specifications available from Chung Soo Park, Procurement Officer, Korean Embassy, 2522 Mass. Ave., NW., Washington 8, D.C. ★

353 Construction Equipment

Ceylon

☆ Portable vibratory compactors, 3; AID loan 156; tender AID 26. Amendment to specifications, par. 1, delete "It is the purpose and intent of this specification to describe a manually operated portable vibratory compactor with a maximum weight not exceeding 200 lbs." Insert "It is the purpose and intent of this specification to describe a manually operated portable vibratory compactor with a maximum weight not exceeding 300 lbs." Par. 4, delete "Accessories shall consist of interchangeable tamping shoes of ⅜ in. steel, sizes 12 in.-24 in. Insert "Accessories shall consist of interchangeable tamping shoes of ⅜ in. steel, the larger of which shall be 24 in. wide." Bid deadline July 26. Chairman, Tender Board, Ministry of Transport & Works, P.O. Box 547, Colombo. (INTERNATIONAL COMMERCE, July 2, p. 18.)

☆ Motorized scrapers, 4. Amendment to specification for Katunayake Airport Development Project, AID loan 156, tender AID-8. Par. 6, add at end "Engine shall be equipped with blower or suction type fan as required for proper cooling at ambient temperature of 120° F." Bid deadline July 18. Chairman, Tender Board, Ministry of Transport & Works, P.O. Box 547, Colombo.

India

● Rock drills; tender SE-528, bid deadline Aug. 28. Drilling accessories; tender SE-477, bid deadline Aug. 22; required by Director, Indian Bureau of Mines, New Secretariat Bldg., Nagpur. Tender forms, specifications available free from India Supply Mission, 2536 Mass. Ave., NW., Washington 8, D.C.

New Zealand

● Vibrating roller, 1 only, alternatively 6, hand-guided, power-propelled, approx. 6¾ cwt., 28 in. rolling width, powered by air-cooled 4-stroke petrol engine, with 2 forward and 2 reverse speeds, complete with rollscrapers, parking feet, all standard equipment; tender S.M.Q. 7984, bid deadline July 30. Stores Manager, Ministry of Works, P.O. Box 8024, Wellington. Specifications available from New Zealand Senior Trade Commissioner, 1145 19th St., NW., Washington 6, D.C. ★

354 Metalworking Machinery, Equipment

Germany

Semifinished parts, materials for milling, drilling, turning, grinding machines, tools. Montanwerke Walter AG (manufacturer), 53 Derendinger Str., Tuebingen/Necker. WTD 4/26/62.

Ireland

Machine tools for dishing, spinning pressure vessel ends, able to process stainless steel, aluminum, mild steel, diam. 2 ft. 6 in.-9 ft., thickness ⅛-½ in. A.P.V. Desco (Ireland), Ltd. (manufacturer), Long Mile Rd., Drimnagh, Dublin.

Spain

Forging, casting machinery. Electrociclos, S.A. (manufacturer), P.O. Box 114, Eibar, Guipuzcoa. WTD 3/27/62.

355 Special Industry Machinery

Ceylon

Cigar rolling machinery. Island Cigar Manufactory (manufacturer), Sundara

Bawanam, K.K.S. Rd., Kokuvil, Jaffna. WTD 6/21/62.

Ethiopia

☆ Motor-driven expeller; recessed plate type filter press, motor driven; 3 screen seed-cleaning machine; self-contained, motor-driven, 5 high Anglo-American seed-crushing rolls, 1 set. Loan 165; worldwide. Bid deadline July 27. Ato Abebe Mehrete, Addis Ababa.

Iraq

● Plateworking machines, 2, heavy duty, for plate cutting up to 10 mm. thickness; circle figure cutting; beading; joggling; slot cutting; flanging; louvering; doming; edge bending; nibbling; powered by tropically insulated electric motors equipped with all necessary switches; power supply used 400 v., 3-ph., 50 c. per sec.; tender 124/62, bid deadline Aug. 8. Director General, Iraqi Ports Administration, Margil. ★

Ireland

Machinery for processing meats, vegetables, for vegetables from field picking to final packaging in cans, bottles; for meat from slaughterhouse entry to final processing; for frozen, canned meats, vegetables, canning machinery, all other types of processing machinery. A.P.V. Desco (Ireland), Ltd. (manufacturer), Long Mile Rd., Drimnagh, Dublin.

Korea

☆ Automatic woolen card set, 103; friction screw press, 302; for use in woolen spinning, sewing machine plant project. Loan 94; worldwide. Invitation DLF-2060-P. Bid deadline July 26. Office of Supply, Republic of Korea, Seoul. Copies of bid invitation with specifications available from Procurement Officer, Korean Embassy, 2322 Mass. Ave., N.W., Washington 8, D.C. ★

Norway

Machinery for porcelain insulator industry, especially automatic glazers. Norsk Teknisk Porselensfabrikk A/S (manufacturer), Fredrikstad. WTD 6/5/62.

Pakistan

☆ Packer, of various components; aerosol filling machine. Loan 194; worldwide. Credit amount, $7,400. Bid deadline July 25. Agro Chemicals, Ltd., Dost Bldg. (opposite G.P.O.), M.A. Jinnah Rd., Chittagong, East Pakistan. Cable address: AGROCHEM. Specifications available from Bank of America, Far Eastern Div., New York, N.Y. ★

South Africa

Glass pulverizing machine used in manufacture of sand paper, capable of pulverizing approx. 2,000 lb. per hr. Pillay Bros. (Proprietary), Ltd. (manufacturer), 55/57 Durban Rd., or P.O. Box 936, Port Elizabeth. WTD 5/22/62.

Taiwan

☆ Bakelite heater, turret lathe, pressurizing tank; automatic temperature regulator machine for plating, buffing machine, quartz heater, rectifier 10-V-150 A. inhaling machine; tapping machine; horizontal, 100 ton press pump, 400 mm. Universal circular saw, windlass for enamel baking furnace, filthy water clean-up equipment for metal plating. Loan 113; worldwide. Credit amount, $20,000. Bid deadline July 24. China Development Corp. for Taiwan Telecommunication Industries, Ltd., where apply for further information. ★

☆ Reduction gear trains for 1,000 hp. cement mill, 2 sets; tractor shovel, 1 set; packaged deep hole drilling machine, 1 set. Loan 113; worldwide. Credit amount, $88,000. Bid deadline July 25. China Development Corp. for Taiwan Cement Corp., where apply for further information. ★

☆ High-speed false twisting machine, 200 spindle, 8 sets, with electric heater, motor, switch, spindle r.p.m. 80,000; 120 spindle double twister machine, 4 sets, with motor, 600 phenolic resin twisting bobbins (160 mm. long). Loan 113; worldwide. Credit amount, $98,000. Bid deadline July 26. China Development Corp. for Jang Dah Fiber Industrial Co., Ltd. Cable address: CHIDELCO, Taipei.

☆ 60 in. wide woolen card machine with 3 cylinders, 1 set; 455 spindles mule spinning frame. Loan 113; worldwide. Credit amount, $40,000. Bid deadline July 26. China Development Corp. for Taiwan Worsted Mill, Ltd. Cable address: CHIDELCO, Taipei. ★

☆ Vacuum filter (string cake discharge system), 1 set; parts for vacuum filter, 1 set; vertical type geared motor, 3 sets. Loan 113; worldwide. Credit amount, $31,000. Bid deadline July 27. China Development Corp. for China Fermentation Industrial Co., Ltd. Cable address: CHIDELCO, Taipei. ★

☆ Continuous open width boil-off and bleaching range for max. cloth width 50 in., cloth speed 20-100 m./min. Loan 113; worldwide. Bid deadline July 27. China Development Corp. for En Hou Dyeing & Printing Mill, Ltd. Cable address: CHIDELCO, Taipei. ★

Tunisia

Complete line of wool, cotton textile mill equipment; 70 power looms; 1 spinning machine with 2 cards, capacity 1,000 kg. every 24 hrs.; complete machine equipment to dye, process textile products. L. & A. Djilani (importing distributor, manufacturer, commission merchant), 22 rue Sidi Saber, Tunis. WTD 6/15/62.

United Arab Republic

Battery making machinery to supply new plant; capacity 2 million 1½ v. monocell for flashlights, transistor radios; 500,000 transistor, hearing aid batteries, 1½ v.; 120,000 combined radio, normal high tension batteries, 90, 1½ v. Mohamed Hassan Gemei, Gemei Battery Co. (manufacturer), 6 El Gameh St., Agouza, Dokki, Cairo. WTD 6/8/62.

358 Service Industry Machines

Iraq

● Laundry equipment for Port Hospital, Margil, including drum type washing machine, dry linen cap. approx. 30 kg. for washing small articles; drum type washing machine for larger articles, dry linen cap. approx. 60 kg.; 2 hydroextractors with dry linen cap. approx. 30 kg.; trough type ironing machine, dry linen cap. approx. 80 kg. per hr. (roll large enough for double bed sheets); 2 oil-fired automatic steam boilers suitable for all above items, complete with accessories, piping; steam-heated drying chamber fitted with sliding suspension frames, approx. drying cap. 50 kg. per hr.; tender 125/62, bid deadline July 25. Director General, Iraqi Ports Administration, Margil. ★

361 Electric Transmission, Distribution Equipment

Trinidad

● Surge diverters, 12 for use on non-effectively earthed system with nominal system voltage of 66 kv., 60 c. per sec., tender 486; 60 for use on noneffectively earthed system with nominal system voltage of 33 kv. at 60 c. per sec., tender 487; power transformers, 2 oil immersed, double wound, 3-ph. units, 33,000/6,600 v. 10,000/15,000 kv.-a., tender 495. Bid deadline Aug. 13. Interested firms may tender for any or all items, each submitted in separate sealed envelope. Trinidad & Tobago Electricity Commission, 63 Frederick St., Port-of-Spain, Trinidad, W.I. ★

Turkey

☆ ST-A1 conductor 266,800 Cu, or equivalent, plus required material, accessories: conductor; Circuit breaker; disconnecting switches; disconnecting switches with earthing blades; disconnecting switches with fuse, lightning arrester; current transformer; potential transformer; inverse-timeover-current relays, ground protection relays; primary overcurrent time limit relays; low voltage disconnecting switches; low voltage automatic switches; metering instruments; 30 kv. underground cables, suspension insulators 35 kv. Loan 98; worldwide. Bid deadline Aug 1. Ankara Elektrik Havagazi ve Otobus, Isletme Muessesesi, Umum Murdurluk, Ankara. Specifications available from Ebasco Services, Inc., 2 Rector St., New York 6.

☆ Material, equipment, installation, as set forth in specifications for 36/10 kv. stepdown transformer station for improvement, extension of distribution system of Istanbul Electricity Administration. Loan 98; worldwide. Bid deadline IETT Administration, Metrohan, Beyoglu, Istanbul. Copies of invitation available from Ebasco Services, Inc., 2 Rector St., New York 6.

362 Electrical Industrial Apparatus

Australia

● Supply, delivery, installation, testing of hydroelectric generating plant and step-up substation at Mt. Hagen power station, Territory of Papua & New Guinea; job ET 4354, specification PE 62/62, bid deadline Sept. 11. Director of Works, Department of Works, Port Moresby, Territory of Papua & New Guinea. Specifications, drawings available for $11.25 (A£5), refundable on receipt of bona fide tender. ★

Greece

● Aluminothermic rail weldings at rail-joint positions, 7,000, of 18 m. length rails; estimated value $53,350; bid deadline noon July 24. Greek State Railways (SEK), 34 Themistocleous St., Athens. ★

366 Communications Equipment

Greece

● Cabinet racks for mounting on 19 in. panels of telecommunication equipment, 5; tender D055/62, bid deadline 3 p.m. Aug. 3. Ministry of Communications, Civil Aviation Administration, 2 Praxitelous St., Athens. ★

India

● High frequency transmitter 2.5-3 kw.; tender SE-525, bid deadline Aug. 20. For use by Director General, Civil Aviation, New Delhi. Tender form, specifications available from India Supply Mission, 2536 Mass. Ave., NW., Washington 8, D.C.

Iraq

● Telecommunication equipment, 4-channel carrier; tender SIGS/6, bid deadline July 25. Telecommunication equipment (facsimile equipment); Tender SIGS/5, bid deadline July 30. Terms, specifications available from Directorate of Contracts & Purchases, Ministry of Defense, Baghdad, for $1.40 per copy for each tender. ★

Ivory Coast

☆ Furnishing of material for use in constructing aerial telephone lines, bid deadline Aug. 31; installation of interurban telephone connections between Abidjan, Bouake, bid deadline Sept. 11, repre-

senting first section of planned north-south axis, chosen supplier may expect continuing business. Office des Postes et Telecommunications, Ivory Coast. AID financed with convertible German marks. Specifications in French. ★

Korea

● VHF radio telephone equipment for service at island stations and to provide telephone channel with duplex operating radio system; estimated value $208,439.80; tender KFX-2061-S, PR 62-4, 62-5, bid deadline July 27. Office of Supply, Government of Republic of Korea, Seoul. Specifications, conditions available from Chung Soo Park, Procurement Officer, Korean Embassy, 2322 Mass. Ave., NW., Washington 8, D.C. ★

Rhodesia, Nyasaland

Telephone, telegraph accessories. Direct purchase and agency. Tele-Electric (Pvt.), Ltd. (importing distributor), P.O. Box A12, Avondale. Salisbury, Southern Rhodesia. WTD 6/14/62.

371 Motor Vehicles, Equipment

France

Small industrial vehicles, electric, battery-operated, for transportation of personnel in factories; 1 seat, 3-wheeled electric carts with rubber tires or related passenger carriers preferred. Fabrique Bordelaise de Materiel Medico-Chirurgical (F.B.M.M.C.) (manufacturer, wholesaler, retailer, exporter, importer), 13 ave. de Mirande, Cauderan, Gironde. WTD 5/22/62.

Iraq

● Service vans, 5, for transporting personnel, tools, equipment for maintenance, repair, other service work; gas engine about 50 hp., steel body adequately insulated for tropical climate, double rear door preferred, side door of adequate size acceptable; seating cap. for 5 persons and driver; tender 126/62, bid deadline July 25. Ambulances, 9, modern design, powered by gasoline engine, complete with 2 stretchers, seat 2, fitted with all necessary first-aid equipment, oxygen respirator, all other modern ambulance equipment; tender 129/62, bid deadline Sept. 12. Director General, Iraqi Ports Administration, Margil. ★

Israel

☆ Tow motor forklift truck, model 680-PD, or equal. Loan 28; U.S. source. Subauthorization 790/1/101. Bid deadline July 20. Government of Israel Supply Mission, 850 Third Ave., New York 22, attention N. Nisen. Tenders should refer to S/A number, be prepared on basis of f.a.s. U.S. port of exit, delivery desired by Aug., prices itemized and show both trade and cash discounts. Suppliers may devise own forms, in duplicate, for submitting tender to buyer. ★

Sweden

Standard transmission components: Cylindrical, conical cogwheels; small-sized cogged gear boxes; enlargeable gear boxes; ridgeless speed control regulators for electric motors, particularly those operating on a.c.; nylon roller chains made of nylon, other synthetic material. Direct purchase and exclusive selling rights for Sweden. Maskinaktiebelaget Mekanex, attention Director S. Steffens, Drottninggatan 9, Stockholm C.

373 Ship, Boat Building, Repairing

Nigeria

Welded aluminum flat-bottom boats 15-20 ft. length; at least 4½ ft. beam; buoyancy tanks giving positive buoyancy when swamped; at least 300 lb.; 35 hp. reinforced transom; 2 oars, 2 rowlocks, 4 rowlock sockets in gunwales; seating arrangements immaterial. Inland Waterways Dept. (government department), Headquarters, Lokoja.

375 Motorcycles, Bicycles, Parts

Mexico

Motorcycle windshields. Direct purchase and agency. Mercantil Martinez, S.A. (importer, retailer), Zaragoza 538, Sur, Monterrey, Nuevo Leon. WTD 10/31/61.

382 Measuring, Controlling Instruments

Thailand

☆ Kw.-hr. meters. Loan 19; worldwide. Invitation PDC-MEA-125. Bid deadline Aug. 6. Metropolitan Electricity Authority, 121 Chakraphet Rd., Bangkok. Copies of bid invitation available from Financial Counselor, Embassy of Thailand, 2490 Tracy Pl., NW., Washington 8, D.C. ★

384 Surgical, Medical, Dental Instruments, Supplies

Congo, Republic of the (Leopoldville)

● Medical equipment, metallic surgical items; estimated value $23,250; bid deadline July 25. Monsieur le Secretaire Permanent du Conseil des Adjudication du Gouvernement Central de la Republique du Congo, P.O. Box 10 G.C., Léopoldville/Kalina. Specifications in French. ★

Korea

● Anesthesia apparatus, other medical equipment, supplies; cardiac catheterization equipment, supplies; X-ray equipment, complete induction motor-generator, 3-unit, 20 kw. 5 bearing, direct connected on non-self-supporting base; estimated value $35,866.20; tender KFX-2063-S, PR A-8, bid deadline 10 a.m. Aug. 2. Office of Supply, Government of Republic of Korea, Seoul. Specifications available from Chung Soo Park, Procurement Officer, Korean Embassy, 2322 Mass. Ave., NW., Washington 8, D.C. ★

394 Toys; Amusement, Sporting, Athletic Goods

France

Plastic toys for tots; medium-priced metal, mechanical toys for 10-15-year-olds, low- medium-priced novelties; requests replies, descriptive literature if possible, in French. Direct purchase and agency for central France. Maison Graffin (wholesaler, importer), 1 rue de l'Observetoire, Limoges, Haute-Vienne. WTD 11/9/61.

Germany

Plastic injection molded automobile models. Drechsler & Horst (importing distributor), Haferweg 5, Hamburg-Altona.

399 Miscellaneous Manufacturing Industry Products

Viet-Nam

☆ Wrecking crane to operate on meter gage railroad track; invitation 0578-18062; iron, steel mill products, bars, rolled sheet, rivets, bolts, 268 metric tons, 0579-18062; structural steel, copper sheet and bars, tube, brass, tin, sheet zinc, 0580-19062; nickel cadmium batteries 24/32 v., 300 AH, 20, testing axles magneto unit for magnetic practice inspection, ultrasonic relectoscope, set of automatic controls for continuous type furnace used to heat, treat steel, 051-19062; electrically operated adding machines, 8, calculators, 5. Tender PIO/C 430-F-33-AD-9-20408. Bid deadline Aug. 8. Central Purchasing Authority, P.O. Box H-5, Saigon. Cable address: MAIDICH, Saigon. Cable bids acceptable if formal bid air mailed simultaneously. Cable must state price and fact that formal bid has been air mailed. ★

International Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

200 Foods

Germany

Canned fruits, vegetables, juices, poultry, meat; frozen poultry; prefers replies in German although English understood. Walter Meier, Handelsvertretungen (manufacturer's agent, commission merchant, broker), 19 Rechts der Alb, Karlsruhe/Baden. WTD 1/16/62.

203 Canning, Preserving, Fruits, Vegetables, Seafoods

New Zealand

Dried fruits. Amalgamated Dairies, Ltd. (exporter, importer, commission merchant), Tasman Bldgs., Anzac Ave., or P.O. Box 865, Auckland. WTD 6/20/62.

Nigeria

Frozen vegetables, fruits; precooked, fresh. D. L. Payne (Nigeria) Ltd. (importing distributor, manufacturer's agent), 41B Commercial Ave., Yaba, Lagos. WTD 9/14/59.

204 Grain Mill Products

New Zealand

Rice. Amalgamated Dairies, Ltd. (exporter, importer, commission merchant), Tasman Bldgs., Anzac Ave., or P.O. Box 865, Auckland. WTD 6/20/62.

209 Miscellaneous Foods

Guatemala

Dietetic food complements. Representaciones Matson (manufacturer's agent), 11 Calle 2-43, Zone 1, Guatemala City. WTD 6/15/62.

220 Textile Mill Products

Germany

Dress fabrics; printed, plain; wool, silk, cotton. Bernhard Voege, Textilagentur (manufacturer's agent), 104 Berliner Str., Heidelberg/Neckar. WTD 6/12/62.

New Zealand

High quality textile fabrics; natural,

synthetic. Amalgamated Dairies, Ltd. (exporter, importer, commission merchant), Tasman Bldgs., Anzac Ave., or P.O. Box 865, Auckland. WTD 6/20/62.

221 Broad Woven Fabric Mill Products, Cotton

England

Cotton piece goods, particularly modern and abstract design prints; medium, high class merchandise. Peter A. Bexon (wholesaler, exporter, importer), 100 Sinclair Rd., West Kensington, London, W.14. 6/8/62.

225 Knitwear

France

Classic knit goods of cotton, worsted, wool, such as sportswear, sweaters, cardigans, shirts for men, women, children; prefers replies in French. Jean Fournier (wholesaler, sales agent, distributor), 9 rue Cruche d'Or, Limoges, Haute-Vienne. WTD 7/3/61.

Pure wool, synthetic fiber knitted outerwear, underwear for men, women. Agency for southwest France or section thereof. Maurice Pucheu (manufacturer's, sales agent), Boite Postale 287, Pau, Basses-Pyrenees. WTD 6/12/62.

Germany

Bathing suits for ladies, children, men, boys; requests replies in German only. Konrad Brendgens, Handelsvertreter C.D.H. (manufacturer's agent), Postfach 613 or 32 Stepgesstr., M. Gladbach. WTD 6/12/62.

227 Floor Covering Mill Products

Germany

Textile floor coverings, preferably synthetic fibers; requests replies from manufacturers only. Karl-Hans Lienekogel, Wuppertal (importer, sales agent), Neckarstr. 9, Wuppertal-Elberfeld. WTD 8/7/61.

Ireland

Carpets, rugs, floor coverings of all types. P. J. Kenny & Sons (manufacturer's agent), 2 Temple Lane, Dame St., Dublin.

230 Apparel

France

Men's, women's outerwear, underwear, such as jumpers, jackets, blazers, sport shirts, related lines. Agency for southwest France or section thereof. Maurice Pucheu (manufacturer's, sales agent), Boite Postale 287, Pau, Basses-Pyrenees. WTD 6/12/62.

231 Men's, Youths', Boys' Suits, Coats, Overcoats

Germany

Boys' suits; bathing shorts for men, boys; requests replies in German only. Konrad Brendgens, Handelsvertreter C.D.H. (manufacturer's agent), Postfach 613 or 32 Stepgesstr., M. Gladbach. WTD 6/12/62.

232 Men's, Youths', Boys' Furnishings, Work Clothing

Germany

Men's underwear; requests replies from manufacturers only. J. Scheiffgen (manufacturer's agent), 23 Bahnhofstr., Kaldenkirchen/Rhld. WTD 6/12/62.

233 Women's, Misses', Juniors' Outerwear

Germany

Ladies', children's bathing suits; requests replies in German only. Konrad Brendgens, Handelsvertreter C.D.H. (manufacturer's agent), Postfach 613 or 32 Stepgesstr., M. Gladbach. WTD 6/12/62.

234 Women's, Misses', Children's, Infants' Undergarments

Germany

Women's lingerie, children's underwear; requests replies from manufacturers only. J. Scheiffgen (manufacturer's agent), 23 Bahnhofstr., Kaldenkirchen/Rhld. WTD 6/12/62.

236 Girls', Children's, Infants' Outerwear

Germany

Children's outergarments; requests replies from manufacturers only. J. Scheiffgen (manufacturer's agent), 23 Bahnhofstr., Kaldenkirchen/Rhld. WTD 6/12/62.

Girls' dresses; requests replies in German only. Konrad Brendgens, Handelsvertreter C.D.H. (manufacturer's agent), Postfach 613 or 32 Stepgesstr., N. Gladbach. WTD 6/12/62.

243 Millwork, Veneer, Plywood, Prefabricated Structural Wood Products

Germany

Prefabricated parts for houses. Ottje Behnen (manufacturer's agent), 23 Bernlappstr., Freiburg-Zaehringen. WTD 6/13/62.

251 Household Furniture

France

Living room furniture; modern, other styles; requests replies in French. Claude Francois (manufacturer, agent), 54 rue Petit, Paris.

259 Miscellaneous Furniture, Fixtures

France

Window blinds, particularly venetian blinds; all types of window shutters; requests replies in French. Ets. Calfeutrex (manufacturer's agent), 15-17 rue Baron, Paris 17e.

260 Paper, Related Products

Germany

Packing material for food industry. Gerd A. M. Kelch (sales agent), 110b Rockwinkler Heerstrasse, Bremen-Oberneuland.

262 Paper Mill Products

South Africa

Manila oiled paper in rolls, sheets of various weights. B. Winstone (Pty.), Ltd. (manufacturer), 24 Kirsten St., or P.O. Box 97, Parow, Cape. WTD 5/2/60.

263 Paperboard Mill Products

Ireland

Folding white boxboard. Ardmore Paper Co., Ltd. (manufacturer), Ardmore House, Kill-of-the-Grange, Dublin.

264 Converted Paper, Paperboard Products

Ireland

Paper products, tissue. Ardmore Paper Co., Ltd. (manufacturer), Ardmore House, Kill-of-the-Grange, Dublin.

273 Books

New Zealand

Children's storybooks, toy books, picture books. D.J. Robertson Co., Ltd. (importer, indent agent, manufacturer's representative, exporter), 14-18 Federal St., or P.O. Box 2454, Auckland. WTD 6/20/62.

280 Chemicals

Germany

Chemicals, such as pure benzene, napthalene, turpentine oil, stearin, rosin carbide, soda, borax, lactic acid for food industry. Requests replies from manufacturers only. Zoltan Gombosi (commission merchant, manufacturer's agent), 157 Duesseldorferstr., Duesseldorf-Oberkassel. WTD 7/6/61.

All kinds of raw materials used by rubber, plastic industries. Rolf Schlicht (manufacturer's agent), Noeppe 28, Hamburg-Wandsbek 1.

282 Plastics Materials, Synthetic Resins, Rubber, Other Manmade Fibers

Denmark

Synthetic fibers suitable for bedding, spinning. Poul Andersson (manufacturer's agent, commission merchant), 7 Chr. IX's Gade, Copenhagen K. WTD 5/3/62.

284 Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics

Denmark

Household cleaning compounds, polishes, waxes, related articles. Aarup Christiansen's Eftf. (importing distributor, manufacturer's agent), 31F Nyhavn, Copenhagen K. WTD 6/18/62.

Rhodesia, Nyasaland

Toilet preparations, cosmetics. Kingstons, Ltd. (importing distributor, manufacturer's agent), P.O. Box 2374, Salisbury, Southern Rhodesia. WTD 4/29/60.

287 Agricultural Chemicals

Germany

Insecticides, other plant protection agents. Wilhelm Gruenwaldt & Co. (manufacturer's agent), Reimerstwiete 17-18, Hamburg 11.

Mozambique

Insecticides for use on cotton, sugarcane, wheat plantations. Sociedad Distribuidora de Explosivos, Lda. (importing distributor, retailer, commission agent, dealer), Ave. F. de Magalhaes, 29-C, or P.O. Box 1007, Lourenço Marques. WTD 6/5/62.

289 Miscellaneous Chemical Products

Denmark

Carbon black, other chemicals for rubber molding. Poul Andersson (manufacturer's agent, commission merchant), 7 Chr. IX's Gade, Copenhagen K. WTD 5/3/62.

291 Petroleum Refining Products

Germany

Mineral oil products of all sorts; crude, refined; annual requirements: 1 million tons refined mineral oil products, 2 million tons crude mineral oil products. Requests replies from manufacturers only. Zoltan Gombosi (commission merchant, manufacturer's agent), 157 Duesseldorferstr., Duesseldorf-Oberkassel. WTD 7/6/61.

307 Miscellaneous Plastics Products

Germany

Doors, windows of polyvinyl chloride; novelties in field of house construction. Ottje Behnen (manufacturer's agent), 23 Bernlapstr., Freiburg-Zaehringen. WTD 6/13/62.

Mozambique

Plastic household articles; catalogs requested. Companhia Industrial de Plasticos, S.A.R.L. (manufacturer, dealer), 136 Av. Alvares Cabral, P.O. Box 1043, Lourenço Marques. WTD 2/26/62.

322 Glass, Glassware

Burma

Glass bottles for cosmetic, perfume industries; first, second qualities of clear, tinted glass. Exclusive agency. Khin Nyunt Yee & Co., Ltd. (importer, manufacturer's agent, commission merchant, broker), 359 Maha Bandoola St., Rangoon. WTD 10/21/60.

Italy

Glassware for chemical, pharmaceutical laboratories such as reagent bottles, graduated blownware, beakers, bell jars. Pirear SpA, Aurelio Martini (manufacturer), Via Casilina 127, Rome.

336 Nonferrous Foundry Products

Netherlands

Cast-aluminum kitchen, household utensils. Agentuur en Commissiehandel Themans (importing distributor, manufacturer's agent), 72 Houtmarkt, Zutphen. WTD 2/3/61.

342 Cutlery, Handtools, General Hardware

France

Mechanical household gadgets; requests replies in French. Ardor, S.A. (manufacturer, wholesaler), 17 rue Edmond Dubuis, Nanterre (Seine).

Ireland

Garden gadgets other than basic tools, such as labor-saving devices for home gardens. Neaves Foods (Thomas Connolly, Ltd.) (manufacturer), 62 Castle St., Dublin.

Netherlands

Nonelectric can openers; cutlery items; kitchen, household handtools; builders' hardware. Agentuur en Commissiehandel Themans (importing distributor, manufacturer's agent), 72 Houtmarkt, Zutphen. WTD 2/3/61.

344 Fabricated Structural Metal Products

Norway

Ship boilers; donkey, others. Johan Troye A/S Agenturferretning (manufacturer's agent), C. Sundtsgate 60, Bergen. WTD 3/8/62.

Philippines

Store-front aluminum extrusions. Amon Trading Corp. (importing distributor, manufacturer's agent, exporter), 246 Buendia Ave., Makati, Rizal. WTD 3/9/61.

346 Metal Stampings

Germany

Household, kitchen utensils of aluminum, stainless steel, such as pots, pans, milk cans, kettles, basins, bowls, strainers, juice extractors, other practical articles; requests replies from manufacturers only. Willem Hildebrand (manufacturer's agent), 29 Kremerstr., Duisburg. WTD 6/14/62.

Netherlands

Kitchen, household utensils of stamped, spun aluminum, stainless steel, other metals. Agentuur en Commissiehandel Themans (importing distributor, manufacturer's agent), 72 Houtmarkt, Zutphen. WTD 2/3/61.

352 Farm Machinery, Equipment

Ireland

All types of agricultural machinery. Owen Fogarty, Ltd. (manufacturer's agent), Aughrim, Co. Wicklow.

Uganda

Farm irrigation equipment; requests catalogs, descriptive literature. Dalwadi & Co. (manufacturer's representative, general merchant, commission agent), P.O. Box 700, Jinja. WTD 11/27/61.

353 Construction, Mining, Materials Handling Machinery, Equipment

Ireland

General construction machinery. Cassidy's Engineering, Ltd. (general agent), 12/16 Beaver St., Dublin. WTD 2/9/61.

354 Metalworking Machinery, Equipment

Belgium

All kinds of garage equipment. Exclusive agency for sales in Belgium, Holland, Luxembourg. Accumulateurs Tudor S.A. (manufacturer), Blorival. WTD 6/6/62.

Denmark

Plateworking machines, other metalworking machinery. Kai Fog's Eftf. (commission merchant), 32 Skindergade, Copenhagen K. WTD 6/12/62.

Germany

Cablemaking machinery. Rolf Schlicht (manufacturer's agent), Noeppe 28, Hamburg-Wandsbek 1.

Uganda

Machinery to manufacture corrugated metal sheets; nonelectric cooking stoves; tin cans. Dalwadi & Co. (manufacturer's representative, general merchant, commission agent), P.O. Box 700, Jinja. WTD 11/27/61.

355 Special Industry Machinery

Germany

Small offset printing machines. Kiessling Ing. & Co. (manufacturer's agent), Boersenbruecke 2, Hamburg 11.

Packing machines for food industry. Gerd A. M. Kelch (sales agent), 110b Rockwinkler Heerstr., Bremen-Oberneuland.

Rubber, plastics processing machinery. Rolf Schlicht (manufacturer's agent), Noeppe 28, Hamburg-Wandsbek 1.

Ireland

Woodworking machinery. H. J. Niblock & Son (agent), 1 Saval Park Cresent, Dalkey, Co. Dublin.

Flour milling equipment. J. Murphy & Sons (Engineers), Ltd. (manufacturer, engineer), Shannon Bldgs., Mallow Rd., Cork.

New Zealand

Machinery for filling tapered cans with meat such as corned beef, tongue. Amalgamated Dairies, Ltd. (exporter, importer, commission merchant), Tasman Bldgs., Anzac Ave., or P.O. Box 865, Auckland. WTD 6/20/62.

Uganda

Complete plant for manufacturing dry charge batteries; machinery for smallest possible economical plant to manufacture drinking straws; oil seed expeller or crushing plant for cotton seeds or cashew nut husks; complete automatic machinery plant for manufacturing shoes; machinery for manufacture of paperboard, cardboard used in printing, publishing, strawboards, woodfree boards; machinery to manufacture crown corks; printing equipment to decorate crown corks; complete automatic plant to manufacture electric bulbs, filaments; catalogs, descriptive literature requested. Dalwadi & Co. (manufacturer's representative, general merchant, commission agent), P.O. Box 700, Jinja. WTD 11/27/61.

356 General Industrial Machinery, Equipment

Belgium

All kinds of garage equipment. Exclusive agency for sales in Belgium, Holland, Luxembourg. Accumulateurs Tudor S.A. (manufacturer), Florival. WTD 6/6/62.

357 Office, Computing, Accounting Machines

New Zealand

Weighing machines, bathroom scales. Amalgamated Dairies, Ltd. (exporter, importer, commission merchant), Tasman Bldgs., Anzac Ave., or P.O. Box 865, Auckland. WTD 6/20/62.

363 Household Appliances

France

Electrical household gadgets; requests replies in French. Ardor, S.A. (manufacturer, wholesaler), 17 rue Edmond Dubuis, Nanterre (Seine).

Switzerland

Household appliances. Arthur Lenggenhager & Co. (importing distributor), Freigustr. 4, Zurich. WTD 6/6/62.

371 Motor Vehicles, Equipment

Belgium

All kinds of automobile accessories, equipment such as carburetors, chokes, spare coils. Exclusive agency for sales in Belgium, Holland, Luxembourg. Accumulateurs Tudor S.A. (manufacturer), Florival. WTD 6/6/62.

Denmark

Automotive spare parts, accessories. J. E. Jensen (manufacturer's agent), 81 Ewalds Alle, Esbjerg. WTD 6/18/62.

Germany

Devices for decontamination of exhaust gases for trucks, passenger cars. Industrie-Verkaufskontor GmbH (manufactur-

er's agent), Bei den Muehren 91, Hamburg 11.

Rhodesia, Nyasaland

Automobile spare parts. Denis Roughley & Co. (Pvt.), Ltd. (manufacturer's agent), P.O. Box 1524, Salisbury, Southern Rhodesia. WTD 6/19/62.

372 Aircraft, Parts

Italy

Mufflers for ground testing of turbojets. Europavia-Italia (importer, exporter, sales agent, representative), Via Paisiello 12, Rome. WTD 5/15/62.

381 Engineering, Laboratory, Scientific, Research Instruments

Uganda

Soil-testing laboratory equipment; catalogs, descriptive literature requested. Dalwadi & Co. (manufacturer's representative, general merchant, commission agent), P.O. Box 700, Jinja. WTD 11/27/61.

387 Watches, Clocks, Clockwork Operated Devices, Parts

England

Time recorders, master clock systems with slave clocks. Hadley Telephone & Sound Systems, Ltd. (manufacturer, wholesaler), 72 Cape Hill, Smethwick, Staffs. WTD 5/28/62.

Rhodesia, Nyasaland

Clocks, watches. Denis Roughley & Co. (Pvt.), Ltd. (manufacturer's agent), P.O. Box 1524, Salisbury, Southern Rhodesia. WTD 6/19/62.

394 Toys; Amusement, Sporting, Athletic Goods

Guatemala

Games, toys. Representaciones Matson (manufacturer's agent), 11 Calle 2-43, Zone 1, Guatemala City. WTD 6/15/62.

Rhodesia, Nyasaland

Toys. B. Gordon (Pvt.), Ltd. (manufacturer's representative), P.O. Box 2717, Salisbury, Southern Rhodesia. WTD 6/15/62.

399 Miscellaneous Manufacturing Industry Products

Ireland

Linoleum. P. J. Kenny & Sons (manufacturer's agent), 2 Temple Lane, Dame St., Dublin.

Uganda

Atomatic modern coin-operated children's amusement machines, self-song machines; catalogs, descriptive literature requested. Dalwadi & Co. (manufacturer's representative, general merchant, commission agent), P.O. Box 700, Jinja. WTD 11/27/62.

Leads for Importers

Commodities are offered direct unless specified.

208 Brandy, Wine, Spirits

France

Cognac, other types of French brandies; in glass bottles, casks. Direct or through agents. Camille Chapt & Cie. (producer, wholesaler, exporter), 4 rue Jean-Jaures, Cognac, Charente. WTD 6/20/62.

Bergerac, Monbazillac wines of classified qualities; white and "roses"; in glass bottles, wooden casks; very good quality; large quantities. Delperier Freres (wholesaler, exporter), 1 Bergerac, Dordogne. WTD 2/7/61.

241 Logging Camp Products

Guatemala

Tree fern wood, fiber for orchid culture. Direct or through agents. Hector M. Sierra, "Guatemalan Tree Fern Company" (manufacturer, exporter, wholesaler), 23 Ave. 0-95, Zona 7, Guatemala City. WTD 11/22/61.

387 Clocks, Parts

Germany

Hall clocks, clock cases. Direct or through agents. Karl Gutmann (manufacturer), Unterkirnach/Schwarzwald. WTD 6/18/62. Catalogs, price lists.★

396 Handicraft Novelties

U.A.R. (Egypt)

Egyptian handicraft, including mother-of-pearl work, leatherwork, copperwear. Direct or through agents. Mohamed Labib Arnaout (export merchant), 3 Sharia El-Azm St., Zamalek, Cairo, U.A.R.

Visiting Buyers and Officials

Scheduled arrival dates and U.S. addresses indicated.

Australia

E. T. Dreikurs, representing Dreikurs Engineering Supplies Co. Pty., Ltd., 46 Foster St., Sydney, interested in importing **tools** and **machine tools** and receiving technical information on new production methods in tool industry. Aug. 3 via Los Angeles for 6 weeks; C/O Mrs. Wiesner, 24 Taylor St., Milburn, N.J. Itinerary: Honolulu, Los Angeles, Seattle, New York, Baltimore, Pittsburgh, Cleveland, Chicago, San Francisco.

David Blair Campbell, Director, Midlands Hardware Pty., Ltd., 78 Docker St., Richmond, E.1., Melbourne, Victoria, interested in manufacturers of **hardware** for windows and doors, **vacuum-packaging machinery**, and all types of **locks**. Aug. 25 via New York for indefinite period; C/O Taft Hotel, New York; Mayflower Hotel, Los Angeles. Itinerary: New York. Aug. 25 to Sept. 1; Los Angeles, arrive Sept. 1.

John A. Dowsett, representing Arnott Morrow Pty., Ltd., 83-107 Coronation Dr., Brisbane, Queensland, interested in **biscuit and cracker machinery**. Aug. 14 via New York for 1 month; C/O U.S. Department of Commerce Field Office, 350 Fifth Ave., New York 1. Itinerary: New York, Washington, Cincinnati, Los Angeles, San Francisco, Seattle.

Alan H. Reid, representing Alan H. & G. Reid, 347 Darebin Rd., Thornsbury, N.17, Melbourne, Victoria, interested in manufacturers of industrial **electronic equipment** except radio, hi fi, and TV. Aug. 21 via Buffalo, N.Y., for 2-3 months; C/O Morgan Guarantee Trust Co. of New York, 140 Broadway, New York 15. Itinerary: New York, Philadelphia, Pittsburgh, Seattle, San Francisco, Los Angeles.

E. T. Hamilton, President, U.S. Chamber of Commerce, Australia, interested in speaking to American businessmen concerning possible areas in which U.S. could do more business with Australia. July 22 via New York for indefinite period; Barbizon Plaza Hotel, Chicago. Itinerary: New York, Washington, Chicago.

Belgium

L. L. Oosterlynck, representing Tissage Oosterlynck-Servais, 60 rue Wandeling, Courtral, interested in meeting manufacturers of nonwoven **fabrics, fibers, binders,** and **machinery.** July 15 via New York for indefinite period; C/O Joynel Co., 450 Park Ave., S., New York 16, telephone MUrray 4-4436.

Germany

Charlotte Marschner and Jurgen Marschner, representing Kaufhaus M. Schneider K.G., Frankfurt, Main, Zeil-Ecke Stiftstrasse, interested in visiting **department stores, shopping centers, discount shops, mail order businesses,** and obtaining technical information on their operation. About July 20 via New York for 3 months; C/O Mr. Maron, Herbert Stern & Co., 52 Wall St., New York 5. Itinerary: New York, Philadelphia, Washington, Atlanta, New Orleans, Houston, Dallas, Los Angeles, San Francisco, Seattle, Chicago, Detroit, Boston.

Ludwig Tripp, representing E. Tripp (chinchilla farm), 82 Silberburgstrasse, Stuttgart, interested in importing **chinchillas** into West Germany. July 23 via New York for 4 weeks; C/O Willi Tripp, 2908 Robert Parkway Rd., Brunswick, Ohio. Itinerary: New York, Cleveland, Chicago.

India

Dharmsinh D. Desai, representing Hindustan Electric Co., Ltd., Bombay, and Power Cables Private, Ltd., Kalyan, Bombay, interested in technical and commercial contacts with manufacturers in **electrical field.** July 16 for approx. 6 weeks; C/O Narendra D. Desai, 225 S. 40th St., Apt. 204, Philadelphia, July; 3913 Locust St., Philadelphia, Aug.; also C/O J. E. Johnson, Jr., Westinghouse Electric International Co., 40 Wall St., New York 5. Itinerary not set.

M. A. Merchant, representing Bhavnager Oil & Chemical Industries Pvt., Ltd., Mahatma Gandhi Rd., Bhavnagar, interested in contacting consumers of pharmaceutical grade **castor oil.** Aug. 20 via New York for 1 month; C/O Consulate General of India, 3 E. 64th St., New York. Itinerary: Seattle, San Francisco, Los Angeles, New York, Boston, Philadelphia, Washington, Denver.

Mexico

Ing. A. Moises Feferman interested in locating U.S. firms interested in joint ven-

ture to manufacture **electronic or automotive parts.** Mid-July via New York for 1 month; C/O Herman Transport, Raul International Corp., 509 W. 56th St., New York. Itinerary: New York, Chicago, Detroit, St. Louis.

New Zealand

Karel Rind, representing Vale & Co., Ltd., 141-43 Armagh St., Christchurch, interested in importing **air filters** for air conditioning, sealed and semisealed **compressors** and **condensing units** for building into air-conditioning units, **dust collectors, fly ash collectors** for steam boilers; also technical information on construction of airfoil **centrifugal and axial fans,** fin tube **air heaters** and **coolers, unit heaters** and **dust collectors.** Aug. 28 via Honolulu for approx. 1 month; C/O Hans Lee, 140 S. Cedar St., San Carlos, Calif. Itinerary: San Francisco; Minneapolis; Madison; Chicago; Tecumseh, Sydney, Ohio; Louisville; Niagara Falls; Buffalo; New York.

Maurice W. Kennedy, representing Peter Kennedy, Ltd., 178 Asaph St., Christchurch, interested in imports of **engineering products, machine tools, garage service equipment.** Aug. 1 via San Francisco for 9 weeks; U.S. Department of Commerce Field Office, Rm. 419, Custom House, 555 Battery St., San Francisco 11. Itinerary: San Francisco, Aug. 1; Chicago, Aug. 2-7; Bryan, Ohio, Aug. 8; Cleveland, Aug. 9-11; Utica, Aug. 16; Boston, Aug. 17-20; Baltimore, Aug. 20-24; New York, Aug. 24-26, Oct. 5-9; San Francisco, Oct. 9-15.

Nicaragua

Mauricio Robelo B., representing Litografia Robelo, S.A., Managua, interested in manufacturers of **offset color plates** for making calendar color prints, **molds** for making plastic objects, **raw materials** for plastics, and technical information on manufacture of plastics. About July 15 via Miami for 45 days; U.S. Department of Commerce Field Office, 408 Ainsley Bldg., 14 NE. 1st Ave., Miami 32. Itinerary: Miami, New Orleans, New York, Philadelphia, Chicago, St. Louis.

South Africa

John Yamoyany, representing D. F. Scott & Co., Ltd., P.O. Box 37, Port Elizabeth, Republic of South Africa, interested in obtaining technical information on **fountain pens, ballpoint pens, stationery,** and **office equipment.** Late Aug. via New York for 2 months; C/O John G. Morris, 272 Main St., Branford, Conn. Itinerary: New York; Allentown, Pa.; Hartford, Conn; Boston.

Taiwan

Maureen Hsu Chou, founder and operator of Ting Ting Finishing School, 18 Lane 101, Roosevelt Rd., sec. II, Taipei, interested in observing **beauty salons, modeling schools,** and attending **beauty consultant training courses;** also technical information on beauty salon operations, makeup techniques, and sale of cosmetics. July via San Francisco for 1 year; C/O Chinese Consulate General, San Francisco, July-August; C/O Chinese Consulate General, New York, after September. Itinerary: San Francisco, Los Angeles, New York, Washington.

Chia-lin Pu, representing Far East Book Co., 64 Chungking Rd., S., sec. I, Taipei, interested in visiting **libraries, newspapers, publishers, printers, bookstores, educational institutions,** also technical information on bookstores, printing, library, newspaper, and cultural activities. Early July via New York for 6 months; C/O L. S. Liu, 3A 415 E. 82d St., New York 25. Itinerary: New York, Boston, Philadelphia, Washington, Cleveland, Detroit, Chicago, San Francisco, Seattle, Los Angeles, Dallas, Houston, Miami, Fla.

Construction Projects

Supplementary information on items followed by (★) is available to U.S. firms domiciled in the United States from Office of Commercial Services, Bureau of International Business Operations, U.S. Department of Commerce, Washington 25, D.C., or telephone WO 7-5561 in Washington.

Information on NATO projects is available from Business Services Division, BIBO, or telephone WO 7-5420. U.S. firms not already certified to participate in NATO bidding should send a résumé of their qualifications to International Trade Opportunities Division, BDSA, as described in the brochure on the NATO international competitive bidding program, available from that division.

A list of heavy construction projects and a list of building projects published during the second quarter of 1962 is available on loan.★

BOLIVIA—Corporacion Boliviana de Fomento (CBF) has announced undertaking of immediate study of project for construction of 550 houses for CBF workers engaged in various projects in Bolivia.

CURAÇAO—Group has applied to Aruba government for permission to build adjacent to existing Hotel Caribbean motor hotel at cost of approx. $800,000, with furnishings costing over $1 million.

Discussions taking place with government authorities concerning construction of 100-room beach hotel on Bonaire.

GUATEMALA—Ministry of Communications & Public Works has announced public bids to be requested for construction of El Molino-Tio de Paz Road, financed by Eximbank and Development Loan Fund loans.

INDIA—Plans reportedly finalized for collaboration between private firm Amrital, Company of Bombay, and Rohm & Haas Co. of Philadelphia for manufacture of agricultural chemicals. The plant, at cost of approx. $1 million, to be constructed in Bombay area, production beginning by end of 1963.

IRELAND—Philips Electrical (Dublin, Ireland), Ltd., local subsidiary of Dutch electrical group, has announced plans to establish second factory in Dublin to produce electronic components for export to EEC countries. Initial production hoped for by Sept. 1963, eventual employment 500.

ITALY—Fiat S.p.A. and Sicilian holding and investment firm SO.FI.S. have agreed to form new company, Sicil-Fial, to produce 30,000 automobiles annually in Sicily, project requiring investment of over $11 million, initial employment estimated at 700.

NATO project open to U.S. bids calling for provision, installation in Naples area of manually operated voice communication system. Interested bidders submit applications by July 18, on prescribed form, to Ministero della Difesa-Marina, Diregione Generale del Genio Militare per la Marina, Divisione Amministrativa, Rome, referring to project 79, Prescribed form available on request from International Trade Opportunities Division, BDSA, Room 4016, U.S. Department of Commerce, Washington 25, D.C.

LEBANON—Bids submitted for construction of Beirut Port. (FCW, Apr. 2, p. 544.) Low bid of $11 million submitted by Archiridon-Archimedes and Odon & Odostromation of Greece. Odon & Odostromation's address 7 Phlellinon St., Athens, Greece.

NETHERLAND ANTILLES—Aruba government reported to have announced prospects favorable for construction of cement plant at cost of $10 million, employing 100 people and producing 1 million barrels annually, mostly for export.

PERU—Peruvian government has authorized English firm Livesey & Henderson to undertake preliminary study and preparation of project with designs for expansion and modernization of southern Peruvian port of Pisco.

REPUBLIC OF SOUTH AFRICA—Ministry of Transport has asked Parliament to approve additional expenditure of $4.3 million (3.1 million rands) to start urgent capital and improvement works toward increasing future capacity of South African Railways. This sum, in addition to over $114.8 million (82 million rands) already available for 1962-63, for laying of track, further electrification, and new bridge.

General Motors has announced plans for $336,000 (240,000 rands) expansion to Port Elizabeth plant for manufacture of radiators. Most tools and machinery for new division to be made locally with South African materials.

SCOTLAND—NATO project, estimated cost $7 million, open to U.S. bids calling for construction of P.O.L. storage depot in Loch Ewe area, work consisting of supply, construction of semiburied steel storage tanks, associated pipe lines; provision, installation of pumps, boilers, steam heating, electrical generating, distribution systems; construction of buildings, roads, walks, tanker jetty, associated equipment. 30 months completion time; bid deadline Jan. 7, 1963. Interested bidders write by July 20 to Director General Navy Works, Admiralty, Chamberlain Way, Pinner, Middlesex, England, enclosing statement of financial resources, evidence of financial stability, plus details of recently completed work of comparable nature and its value.

SWEDEN—Boliden copper and lead mining concern has announced plans to establish at Munkedol on Sweden's west coast a plant at cost of $9.7 million (50 million kronor), to produce 150,000 tons of sulfuric acid and 20,000 tons of liquid sulfur dioxide annually.

SYRIA—Euphrates Institute, Aleppo, reportedly to build on Khabur River at Merakada a dam 25 m. high designed to store estimated 1 billion cu. m. of water and irrigate area of 90,000 hectares.

YEMEN—Yemen government has reached tentative agreement with group of merchants for construction of modern 40-room hotel in Taiz with no obstacles to import of furnishings, equipment, and food.

Macapagal improves climate for U.S. firms in Philippines; reform remains incomplete

Ends 'Filipino First' buying policy of predecessor; vigorous reform measures run into trouble in Congress; industrial investment invited and protected

On July 1 the Macapagal Administration celebrated the 6 month anniversary of its inauguration, but the full implementation of its reform program for the Philippines remains very much uncertain.

The new president has, however, improved the climate for U.S. traders and investors by scrapping the "Filipino First" policy of his predecessor and encouraging private foreign industrial investment as an integral part of his 5-year socio-economic plan.

While the potential for economic growth in the Philippines is great, serious problems have plagued the Philippine economy and impeded the reform program. These problems include recurring foreign exchange difficulties partially caused by an unfavorable balance of trade, a weakening peso and a stagnant rate of economic growth.

President Macapagal, upon assuming office, boldly initiated a series of economic reform measures which lifted licensing and exchange controls, freed the value of the peso and developed a policy designed to encourage foreign investment. A comprehensive 5-year plan was also promulgated which seeks to boost the gross national product's annual growth rate to 7% by 1967.

Out of these vigorous economic policies designed to stimulate exports, reduce non-essential imports, and stimulate economic growth, several definite trends are emerging.

The peso is still devaluing gradually. Its present rate is approximately 3.9 to the dollar. The Central Bank has not yet intervened in the buying and selling market, thereby allowing the value of the peso to be set by supply and demand within the banking system.

With the help of recent stabilization funds made available by the U. S. Government, the International Monetary Fund (IMF) and U.S. commercial banks, important steps have been taken towards the creation of an orderly and stable exchange system. Foreign exchange reserves, which reached the critically low level of $96.6 million on January 19, had risen to $141.7 million on June 4.

The government hopes that the persistent disequilibrium in merchandise trade which has periodically caused balance of payments crises will become more manageable as a result of the devaluation of the peso. However, trading channels have not yet been normalized, mainly because of a severe credit shortage.

Inflationary pressures are evident in the Philippine economy. The U.S. Embassy has reported that almost all price indices have moved upward. Prices of certain essential commodities including canned milk, sardines, drugs and medicines have been steadily rising. However, the price of rice has remained stable.

The investment climate in the Philippines is better than at any time in the recent past because of the lifting of import licensing and foreign exchange controls and the Macapagal Administration's recognition of private investment's importance in the development of the Philippine economy.

The new government has publicly disavowed the "Filipino First" policy of the previous administration which harassed American business activities in the Philippines.

PHILIPPINE PANORAMA: This composite aerial photograph of the Binga dam and reservoir in Northern Luzon includes an example of the ancient method of terrace farming on the hillside at the left and a housing development for dam employees in the center. Binga is the second of 6 proposed projects for development of the Toboy River's hydroelectric potential to be completed, and transmission lines from its underground 100,000 kw. underground plant carry power 120 miles south to Manila. President Macapagal's 5-year plan needs $860 million of foreign investment capital and his government offers remittability of capital, repatriation of profits and protection from expropriation to "feasible and attractive" projects. (World Bank Photo).

The key to President Macapagal's economic program is a 5-year socio-economic plan designed to increase the GNP growth rate from 5.5% in 1962-63 to 7% in 1966-67. The rate of economic growth was only 2.6% in 1961, lower than the rate of population increase.

To accomplish the desired rate of economic growth, gross domestic savings must be gradually increased from the present level of 12.7% of GNP to about 16% by 1967. Under the plan, domestic savings should provide 89% of total investment requirements and foreign investment 11%.

Imports of producer and consumer goods are projected to grow by 45% to a level of 1,906 million pesos (at 1960 prices) by the end of fiscal 1967. Private consumption expenditures are expected to increase by 45.2%.

To begin the implementation of this plan the Macapagal Administration introduced legislation designed to stimulate economic activity, revised the Philippine tariff, devalued the peso and waged an intensive anti-corruption campaign to clean up customs irregularities.

More of the capital accruing to the government through government savings and insurance plans will be channeled to the Philippine Development Bank and invested in the economy.

The legislative program of the Macapagal Administration has encountered serious difficulties in the Philippine Congress, with many key bills failing to pass. Measures not approved by the Philippine Congress include foreign investment legislation, amendment to the Basic Industries Law, abolition of a capital gains tax and institution of an export tax.

The President has indicated that he will rely on executive powers to implement the key aspects of his program until the next session of Congress.

U. S. sales prospects excellent

As the economic program of the new administration gets underway, the Philippine market for foreign goods is expected to expand. Aggressive selling by U.S. firms in this preference market could substantially increase U.S. exports to the Philippines.

In recent years, with the exception of 1961, the U.S. percentage share of the Philippine market has been declining. In 1961, U.S. imports totaled $300 million according to Philippine statistics, and captured approximately 49% of the total import market compared with 54.7% in 1957, 53.8% in 1958, 44.2% in 1959 and 42.4% in 1960. The decline in the U.S. share in the Philippine market is caused by growing competition from European and Japanese suppliers, and the declining level of tariff preferences for U.S. imports.

DIOSDADO MACAPAGAL: Fifth President of the Republic of the Philippines. During his first 6 months in office President Macapagal has tried to implement a wide-ranging program of social and economic reform geared to attract a maximum of foreign capital (Philippines Information Agency Photo).

Study of the Philippine market in the past 5 years indicates that, of the principal exporters to the Philippines, only Japan has significantly expanded its sales, from $77.8 million in 1957 to $108.5 million in 1961.

It can be expected that competition from the West Europeans and Japanese will be stepped up during the next 5 years. There is some evidence that both the United Kingdom and West Germany are mounting trade offensives.

As the Philippine economy moves towards greater industrialization, the commodity structure of Philippine imports is changing. Imports of machinery and transport equipment are increasing while textile and flour imports are declining. During the last 5 years, imports of crude rubber, textile raw materials, pulp and waste paper, explosives and miscellaneous chemical materials and products also have steadily increased.

The 5-year plan calls for a total net inflow of roughly $860 million in new foreign capital.

In recognizing the important role that private foreign capital can play in the development of the country, the Macapagal Administration has stressed that "the field for investment during the next 10 years will be much narrower at the start because the tests of attractiveness and feasibility will be more rigorous."

However, the administration has revealed that foreign investments regarded as "feasible and attractive" would obtain guarantees as to remittability of capital, repatriation of profits and protection against expropriation.

Tax incentives have also been discussed; incentives which would reduce income tax rates, cancel certain import duties and waive income taxes from sale of capital assets where proceeds are reinvested in specified fields within a year.

The fields in which foreign investment is sought include the exploitation and development of mineral industries, the development of capital goods industries (tools, dyes, industrial and heavy electrical machinery), extension of the railroad system, development of a shipbuilding and drydocking industry and the manufacture of chemical products from raw materials.

Even though the administration's foreign investment legislation did not pass during the recently concluded legislative session, it is a clear indication of President Macapagal's thinking in this field.

Furniture exposition to be held in Paris

The second International Furniture Show, expected to offer a good opportunity to U.S. firms interested in entering the French market, will be held in Paris Jan. 23-28, 1963.

This show, according to the U.S. Embassy in Paris, "would provide U.S. manufacturers an opportunity to locate agents."

It will take place at the Parc des Expositions, Porte de Versailles, Paris.

Products to be exhibited include kitchen and bathroom furniture, garden furniture, bedding, drapery, floor coverings, illuminating ware, and furniture reproductions (rustic and contemporary).

The U.S. Embassy feels there is a limited market for both quality and typically American furniture, drapery, garden furniture and floor coverings.

Additional information is available from the Fairs and Exhibitions Section, Office of International Trade Fairs, U.S. Department of Commerce, Washington 25, D.C.

EXPECTING COMPANY: The U.S. Trade Information Center at the Pointe-Noire (Congo-Brazzaville) Trade Fair glistens like a beacon in the night, ready around the clock to tell America's trade story to the Congolese people. The recent U.S. Trade Mission to 5 Middle African countries timed its Congo visit to coincide with the opening of the Trade Center, which attracted the President of the Republic in addition to trade-minded Congolese businessmen.

Trade Mission sees long-term potential in Central Africa

Visit to 5 nations reveals need for U.S. business to adapt to local conditions; investors should be highly selective

by Roger G. LaRoche

Deputy Director, U.S. Trade Mission to Middle Africa

The prospects for a substantial increase in exports of American merchandise to the 5 countries of Middle Africa visited by the Trade Mission are limited for the present. However, these markets should not be overlooked and trade with them can be developed on a long-range basis.

American goods are highly regarded in these countries and there is room for more U.S. products. Chief local criticism deals with lack of sales effort, lack of proper attention to the requirements of the respective markets, and especially, lack of literature and instructions in French.

American products shipped into these areas amount to approximately 6% of the total imports and a sizable proportion of the value is accounted for by petroleum products. The Mission has analyzed a number of factors which limit U.S. trade opportunities in the Middle African countries.

French economic ties

Although the 5 new emerging Republics are politically independent, economically they still have very close ties with France. Because of the French language, culture, and education, as well as long and well-established French trading companies, these areas are oriented principally toward France. Imports of French origin goods approximate 60% of the total, with the balance shared by West Germany, other Common Market Countries, the United Kingdom and the U.S.

The French (principally) and British trading companies handle about 90% of all imports, including imports of American goods. There are very few independent African firms who are able to import substantially. The French trading companies for instance, are branches of French concerns managed in Paris, where buying is done for overseas outlets.

France supports the principal export products of these countries with a guaranteed market, usually at prices well above world prices. France also provides substantial financial and technical assistance, including budget support and capital development. In exchange, France enjoys free trade with these areas.

Negotiations to combine the 5 countries into a Customs Union are almost complete. Of more importance to U.S. exporters to these countries will be their association with the Common Market, which will result in a tariff discrimination against American products.

The great distances to major seaports coupled with an extremely poor road system, the low purchasing power of more than 90% of the population, and the low population density (about 8% live in cities) present difficult marketing problems.

Another important factor restricting U.S. trade opportunities is the limited allocation of foreign exchange for American goods.

Brighter side for U.S.

However, there are many plus factors which should encourage American businessmen to develop trade with the 5 Middle African countries on a long-range basis.

All 5 countries have or will soon have

an economic development plan. Under these plans agriculture will be diversified, methods of production improved, the cooperative movement expanded, thereby increasing agricultural output. The plan also calls for industrialization on a selective basis. This desire for progress and change will result in an ever rising standard of living, creating an increasing demand and opportunities for U.S. suppliers of goods and services.

The U.S. aid program under negotiation for 4 countries may cause some increases in American sales. In Cameroon, where in 1961 direct American aid amounted to $1.8 million, $1.4 million was allocated to finance commercial imports, making it easier for local businessmen to obtain licenses for imports from the U.S.

There is a strong trend in all countries to "africanize" commerce. This move will open new channels of distribution, which will seek new sources of supply. Coopératives of small native business firms are being organized to facilitate imports. These firms get financial assistance in the form of credit from the National Development Bank, especially in the Cameroon.

There is a definite interest in American goods in African trading firms and desire to obtain them. The demonstrated interest of American businessmen in supplying these markets could eventually influence the governments to ease present restrictions on American imports.

Consumer goods markets

In evaluating the markets of the 5 countries visited by the Mission, one must divide the population of slightly under 10 million into 2 markets:

- a so-called "European Market" for the small European population and city dwelling Africans,
- a "Mass Market" for more than 90% of the Africans whose purchasing powers are extremely limited.

On the "European Market," as in any American town, one will find packaged foodstuffs, frozen food, clothing, automobiles, electric appliances, air conditioners, soaps and toiletries, and all the necessities and luxuries of modern civilization. The large trading companies operate general stores in the principal cities, and have introduced self-service.

There are also small specialized independent stores such as, baker shops, butcher shops, men's and ladies' stores, and pharmacies. Because the bulk of consumer goods are imported from distant areas, frequently by air, prices are exorbitant.

On the African, or the "Mass Market," one will find, above all, textiles of many varieties, especially cotton prints, canned goods, used clothing, lanterns, flashlights, plastic footwear, cheap handtools, inexpensive toiletries, and, in primitive market places, livestock.

In cities, the African merchant operate small, fairly primitive, general stores. In urban areas, the merchant brings his merchandise to a central market place, where he sells and exchanges merchandise. These primitive market places operate 2 or 3 days a week and the indigenous population travels miles to these market places.

U.S. air conditioners sell well

Many American-brand consumer items, manufactured by European subsidiaries, are found on African shelves. U.S. air conditioners and commercial refrigeration equipment such as showcases are widely used on the other hand, U.S. refrigerators, are not as popular, because smaller sizes are preferred.

Mission members

The recent Trade Mission to Middle Africa was made up of the following Government personnel and private businessmen:

B. Robert Sarich, Deputy Director of the African Division, Office of Regional Economics, Bureau of International Programs, U.S. Department of Commerce.

Roger G. LaRoche, International Specialist, Miami Field Office, U.S. Department of Commerce.

E. Joseph Bannon, Chairman and Board Director, Perdice National Bank of Lafayette, Indiana.

Henry J. Bloch, President, Timberline Inc., Portland, Oregon.

James DelRio, President and General Manager, Associate Brokers Investment Co., Detroit, Michigan.

Harold Greene, President and General Manager, Augusta Supply Co., Augusta, Maine.

Albert F. Lamb, General Manager, Morrow County Grain Growers, Inc., Lexington, Oregon.

Hans Warmbrunn, Member, Board of Directors, H. D. Sheldon and Co., Inc., New York, N.Y.

The Mission feels that opportunities for U.S. consumer products can be developed if more careful attention is given to the special requirements of these markets. Where applicable, markings, literature, and instructions should be in French.

U.S. fabrics and clothing are practically non-existent on the market. Discussions with African merchants indicate that an effort could be made to introduce American cotton prints, low-priced clothing, plastic raincoats, jeans, canvas shoes (sneakers), and so forth.

Although the Mission was not in a position to appraise the price competitiveness or the market acceptance of these items, a Congolese merchant indicated that the cost of an American made ball point pen on arrival in Brazzaville was one-third the cost of a similar European product.

American car sales fall

U.S. passenger cars are rapidly losing ground in these markets, principally because of frequent model changes, involving both costly parts-stocking and unavailability of parts at time of breakdown.

Size of passenger cars, inadaptability to road conditions, and higher gasoline consumption are also reasons for preferring European models.

Regardless of the declining market for U.S. passenger vehicles, there is a need for an alert U.S. supplier of replacement parts.

Until recently, U.S. construction equipment and trucks were widely used and preferred in this area. Here again replacement parts are a very serious problem and are causing both distributors and users to turn to French, British, and German equipment.

Breakdowns costly

A timber and sawmill operator in Gabon informed the mission that his company prefers American equipment and uses approximately $200,000 of replacement parts each year. However, since his timber operation is principally a 4 month operation each year, a breakdown during that period and the unavailability of parts can cost his company thousands of dollars each day. It takes a minimum of 15 days to receive parts by air from the U.S.

U.S. aid programs are under discussion in each of the 5 countries, and with the economic development programs of each one, the market for construction and industrial equipment and machinery should expand. U.S. manufacturers and exporters should try to recapture this

market. Spare parts programs and a closer look at local requirements are the key factors between U.S. manufacturers and exporters and bigger African sales.

All 5 countries are primarily agricultural. Agriculture is not only primitive, using little farm equipment, but is almost entirely oriented toward subsistance farming. Agricultural programs are predominant in the economic development plans of each country. They call for diversification, improvement of production methods, increase in agricultural outputs and expansion of the cooperative movement. The progress of these programs will open up a potential market for farm equipment such as small tractors and plows, and non-mechanized equipment as animal-powered plows, and harrows.

The Mission believes that these long range developing markets deserve the close attention of U.S. manufacturers and exporters of farm equipment and supplies.

Infant industries

Industry in these undeveloped Middle African Countries is extremely limited and often primitive, centering mostly on the processing of agricultural and forest products.

The Mission visited cotton gins, small cotton seed oil press and soap factories, palm oil factories, cigarette factories, small metal fabricators, a bicycle assembling plant, sawmills, breweries, a cocoa butter factory, and other small manufacturing plants. Practically all of them were using primitive processes and old machinery.

However, in several countries there was at least one modern installation. Chad, for instance, has a modern slaughterhouse in Fort Lamy; Cameroon has an extremely modern aluminum plant in Edea which turns out 45,000 metric tons of aluminum ingots annually; and Gabon has one of the largest plywood factories in the world at Port Gentil and is a major exporter on the world plywood market.

In 1961, Congo produced 102,900 metric tons of crude oil, while Gabon's oil production in 1960 was approximately 800,000 metric tons. Gabon also has rich mineral deposits of manganese ore, iron ore, and uranium.

The industrialization plans of the Cameroon, Congo and Gabon are probably more advanced and call for small industries on a selective basis, considering the lack of capital and qualified technicians, and small national incomes. Cameroon's 5-Year Development Plan calls for the installation of several new industries, including a cement plant at Douala; Congo is planning small and medium sized industries in the area of Pointe Noire, which will include fishing and fish processing industries, a brewery, plywood and match factories, clothing, plastic, metal fabrications and bicycle assembly plant; in Gabon, studies are under way for the introduction of new industries such as the manufacturing of cellulose and packing materials, petroleum refining and a petrochemical industry, cement works and food industries.

PRESIDENTIAL GRIP: Leon M'Ba, President of the Gabon Republic, greets B. Robert Sarich and members of the U.S. Trade Mission during their visit to the mineral and lumber-rich nation on a recent trade development trip to 5 Middle African states.

Foreign investment welcomed

Foreign capital, managerial and technical skills will be essential in expanding their economies and all 5 countries welcome private U.S. financial assistance.

They all have or are promulgating an investment code to encourage foreign private investment. Although these investment codes are not uniform, they are modeled along similar lines and have the same objectives in mind. They provide certain tax incentives, repartiation of capital and profits, and favorable economic considerations to certain new businesses and industries.

Nevertheless, the lack of a local market of any size, low population density, minimum and obsolete internal transportation facilities and distance to external markets and lack of business and technical experience among the Africans make opportunities for U.S. private investment in these countries quite limited and they should be made on a highly selective and long term basis.

Within this limited scope, there appear to be some possibilities for investment in each of the countries to develop their natural resources and to equip and modernize existing facilities. There also seem to be some investment opportunities in palm oil, cocoa, coffee and rubber plantations, for enlarging existing operations, mechanization, and production improvement.

A third category that might have investment potential is the area of food processing installations and small plants to produce or assemble consumer goods. Finally, jobber operations could be established to promote U.S. goods, preferably on a joint venture basis with local capital.

Future trade potential

Although the Mission's visit to these 5 Equatorial Republics may not generate immediate trade and investment opportunities, the Mission feels that its presence was welcomed.

The Mission considers that American business has a two-fold task in Middle Africa:

First, a determined effort must be made to regain lost ground in a number of fields where U.S. sales are slipping, and,

Second, American manufacturer and importers must concentrate on the long-range development of the Middle African market to take full advantage of the sales potential offered by the acceptance and confidence in American goods, increasing American aid to these areas and the desire of African Governments to diversify their present trading pattern.

President praises trade team

The Pointe-Noire (Congo) International Fair was opened on June 8 by the President of the Congo Republic, the Abbot Fulbert Youlon, who referred warmly to the U.S. Trade Mission in his speech. President Youlon said: "I greet very specially the United States Trade Mission, which, responding to my appeal, came to the Congo and made it a point to be at Pointe-Noire today to understand our country through information available at the Fair.

"I am happy at the opportunity offered me to direct again my thoughts to this great country where I was so well received and to repeat my deep gratitude to President Kennedy."

Trade team finds Congo, Gabon offer limited market to U.S.

But long range opportunities in Congo and Gabon recognized in forest products and untapped mineral resources

By B. Robert Sarich

Director, U.S. Trade Mission to Middle Africa

Dramatic trade gains are not held likely in the Congo Republic (Brazzaville) and Gabon, but both offer long range possibilities for private U.S. participation in their economic development, according to the recently returned U.S. Trade Mission.

The Mission timed its Congo visit to coincide with the opening of the International Trade Fair at Pointe-Noire, and was warmly greeted by the Congo's President, Abbot Fulbert Youlon. President M'ba of Gabon also received the American mission.

The Republic of Congo (Brazzaville), southernmost of the 4 territories that once comprised French Equatorial Africa, has an area of 131,538 square miles, comparable in size to Iowa and Nebraska. The country is almost evenly divided by the Equator and has a coastline of about 100 miles on the Atlantic, with a good harbor at Pointe-Noire, the Congo's second city (population 60,000).

Few urban areas

According to a recent census the capital of Brazzaville has a population of 135,000, including 6,280 Europeans. Dolisie and Jacob are them only other larger cities, with about 10,000 inhabitants each.

The Congolese population, entirely Bantu, is estimated at 800,000, unevenly distributed between the more densely populated south and the sparsely populated north with its large areas of virtually uninhabited forest and swamp.

There are over 50 tribes, which are generally grouped into 4 ethnic groups: the Kongo, the M'Bochi, the Bateke and the M'Vili. A little over 10% of the adult population is literate and the school population is 133,145. Income and purchasing power are very low and the annual per capita income is estimated at about $70.

The Congo has few natural resources and generally unfertile soil. Agriculture

DISTINGUISHED VISITOR: Abbot Fulbert Youlou, President of the Congo Republic (Brazzaville) is shown around the U.S. Trade Information Center at the Pointe-Noire International Trade Fair by B. Robert Sarich, Director of the recent Trade Development Mission to the Middle African area.

is still in the primitive stage and almost entirely oriented toward the production of foodstuffs for local consumption. Manioc, in particular, but also corn, potatoes, carrots, tomatoes, green peppers, bananas, mangoes, pineapples and oranges are grown by the Africans in small patches for barter among themselves and for family consumption.

These crops actually contribute more to the national income than cash crops produced for the limited urban market or for small exports. By and large the organized production of cash crops is still in the most preliminary stages of development.

Among the most important cash and export crops are palm kernels (January-September 1961 production 4,617 metric tons), peanuts (1,444 tons), cocoa beans (497 tons), bananas (659 tons), coffee beans (267 tons), palm oil (2,841 tons), peanut oil (425 tons) and rubber (74 tons).

Stockraising is almost unknown, although in recent years efforts have been made to overcome some of the tremendous obstacles presented by the inhospitable climate, unfavorable forage possibilities, endemic infections (tse-tse fly and trypanosomes) and the lack of know-how among the population.

Currently the cattle herd consists of 22,400 head, and there are about 39,000 pigs and 75,600 chickens. However, most of the meat consumed in the country is imported at high cost from Chad, Europe or South Africa.

Heavily forested

The Congo's most important natural resource is its forest wealth, which has been barely tapped. Forests cover roughly half its area and account for more than two-thirds of export earnings. However, most of the forests can only be exploited with great difficulty and require heavy investment in equipment and road construction.

While in some coastal areas valuable stands have disappeared because of haphazard exploitation and maintenance, enormous reserves still exist elsewhere in the north. These have remained inaccessible for want of evacuation routes, manpower and equipment.

Despite these obstacles production of logs and lumber is increasing. Total exports of wood amounted to about 250,000 metric tons in 1961 (principally limba and fragué, but also okoumé, niové and other tropical woods).

In the sparsely populated northern area around Betou up to the Ubangi river, forests are characterized by an exceptional density of choice, valuable, tropical woods. Some exploitation of these forests has been undertaken by French concerns.

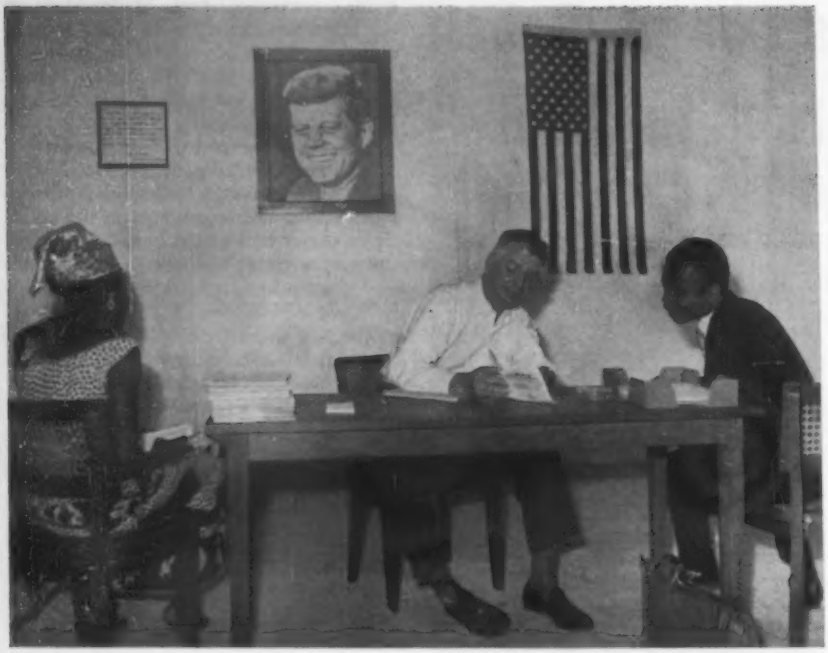
The Government considers forests as essential resources and plans are under way for a rational program of reforestation of cutover coastal areas and development of forest "plantations" for eventual wood processing and paper industries.

Small foreign trade

Like the other countries of Equatorial Africa, the Congo's exports center on a few agricultural products and wood, which is by far the principal export item.

In 1961 (January-November) total exports, which include transit exports from other Equatorial countries, amounted to $18.6 million and consisted chiefly of wood and small quantities of peanuts, bananas, peanut oil, crude oil (discovered in 1957), palm kernels and palm oil. Principal Congolese clients were France and West Germany.

Congo's imports (January-November 1961), which are grossly inflated by transit imports for other Equatorial



SHIRTSLEEVE BUSINESS: J. E. Barron, a member of the U.S. Trade Mission, stresses a point to a Congolese businessman visiting the American Trade Information Center at Pointe-Noire (Congo-Brazzaville). The lady at left provides the Mission with information about herself as she awaits her turn to talk with Mr. Barron, who is Chairman and Board Director of the Perdice National Bank, Lafayette, Indiana.

States, were valued at $76.3 million. Capital goods accounted for half of this value and included equipment for the construction of railways and roads, machinery, coal and petroleum. Other import items included textiles, clothing, consumer durables, bicycles, motor vehicles and foodstuffs (flour, rice, meat, milk products and alcoholic beverages).

Congo's principal suppliers again were France, West Germany and the other Common Market countries. Trade with the U.S. in very limited. Sales to the U.S. in 1961 amounted to about 1% of exports, while purchases totaled about 6% of imports.

Imports U.S. oil

More important Congolese imports from the U.S. include petroleum and petroleum products, oil drilling equipment, structural steel used in railroad construction, earth moving equipment, automobiles, trucks and parts. Air-conditioners, agricultural tractors, outboard motors, power saws and parts, refrigerators and foodstuffs (principally rice) are imported in limited quantities.

U.S. trade opportunities are restricted by a number of factors including the difficulty of obtaining foreign exchange for American goods. In addition, the very low level of per capita income, the absence of industrial development and the low density of the population restrict trade expansion.

Most large business enterprises operating in the Congo are branches of French concerns, managed in Paris where buying is done for overseas outlets.

Some less important handicaps lay in language differences and systems of measurement, which require American business to accommodate its operating practices to local conditions.

Crude oil output

Congo's 1961 production of crude oil attained 102,900 metric tons. Mining developments showed a total output of 2,645 metric tons of lead, 1,908 metric tons of zinc and 56 metric tons of tin. The country has deposits of potash, cassiterite, manganese ore and programs are under way for the exploration of iron and sylvanite layers.

The Congo being principally an agricultural economy, its industrial production is relatively insignificant, accounting for less than 11% of total national production. In all probability industrial market dimensions will remain limited for some time to come.

The few existing industries are located primarily in the Brazzaville and Pointe-Noire area. Most of these are very small and engaged mainly in the production of consumer goods for the local market.

There are 17 sawmills and a sugar refinery produces about 15,000 metric tons a year, while other products manufactured in the Congo include soap, beer and canned fish. In 1961 electric power production totaled an estimated 26.5 million kilowatt hours, sufficient to support the level of Congolese economic development.

Trading crossroads

The Congo has long been a crossroad for transit trade for the other Equatorial African States, but transportation difficulties pose serious problems for economic development. While the road network totals about 4,000 miles, only 200 miles are paved. Furthermore, important segments of the dirt-surfaced road network are impassable during the rainy season.

The Congo enjoys economic benefits from its only railway line, of about 350 miles, connecting Pointe-Noire with Brazzaville.

The Republic of Congo is a member of the franc zone, having free trade with franc zone countries. All other trade, however, is strictly controlled through the import and export licensing system. The allocation of foreign exchange is made through the Exchange Stabilization Fund in Paris, but these allocations are not directly tied to the amount earned by each member. They are established on the basis of negotiations between the member states.

Controlled foreign exchange

The local chamber of commerce plays an important role in the process of allocation of foreign exchange to Congolese importers, as it ranks all business establishments on the basis of their commercial activity and their importance to the country's economy. It is on the basis of this ranking that the Ministry of Economic Affairs makes allotments of foreign exchange.

The division of foreign exchange is usually based upon the importer's purchases the previous year, with some preferences given to importers of capital equipment over consumption goods.

The Congo, like other countries of the franc zone, is aided by protected markets and higher-than-world prices for certain of its products exported to France. In exchange, France supplies a substantial proportion of Congo's import needs.

Currently the economic development of the Congo depends to a large extent on external financial assistance, granted principally by France and which for the past 3 years amounted to over $20 million. The lion's share of this aid went to rural development, such as exploitation of timber resources, providing agricul-

tural equipment and tools, setting up regional agricultural training centers and developing banana plantations in the Mayumbe region.

One of the important government objectives is to increase agricultural output both for domestic consumption and export, and to reduce the rural exodus to urban areas, where unemployment is already a problem of considerable proportions.

Vast hydroelectric potential

In addition to the above grants, French aid to the Congo includes contributions to the technical studies in connection with the Kouilou Dam, a project which the government considers of vital importance to the future industrial development of the country.

The Congo has almost unliimted hydroelectric potential. According to a study made in 1958, a dam on the site of the Kouilou River, about 80 miles from Pointe-Noire, could provide about 7 million kilowatt hours annually. The dam will cost about $400 million.

Other French assistance consists of public and private loans, technical assistance through a number of Frenchmen occupying advisory positions in the Congo administration.

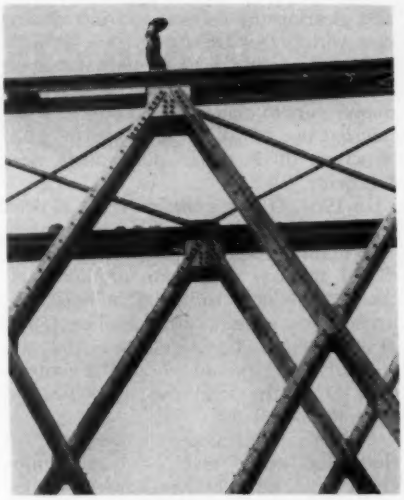
Congo has also been receiving financial assistance from the Common Market Development Fund, which had granted, up to the end of 1961, a total of $12.6 million for road building, education and forestry.

Other developments which will have a bearing on the trade level concern tariff rates. Congo (Brazzaville) will be part of customs union with Chad, Cameroon, the Central African Republic and Gabon, and negotiations to that effect are near completion. Of more importance, because of its probable impact on U.S. exports to these countries, will be their association with the Common Market, which will result in tariff discrimination against American products.

Plan invites free enterprise

The Congo Government is drawing up a comprehensive 5-year plan for economic development and it should be ready before the end of 1962. The U.S. Trade Mission was impressed by the great importance of Government attaches to the role of private enterprise in the development of the country and by its desire to attract private foreign investment.

In June 1961 the National Assembly passed an Investment Code setting forth guarantees for qualified new business ventures in the Congo. These benefits include the free transfer of profits and capital realized from the sale of assets; certain basic fiscal and tax advantages; identical treatment of foreign entrepreneurs and employees with their Congolese counterparts; liberalization of import restrictions for the construction and outfitting of plants; and preferential treatment for exports.



AFRICAN FRAMEWORK: A Gabonese workman is outlined against the sky as he strides along the top of a railroad bridge which will help connect the vast manganese deposits in Gabon's interior with the Atlantic Coast. (World Bank Photo).

In addition, a National Development Bank of the Congo was created in 1961, to assist financially and technically in projects likely to further the economic and social development of the Republic of Congo.

Neighboring Gabon

The Republic of Gabon lies on the west coast of Africa astride the Equator. The country's area of 102,290 square miles corresponds roughly to the size of Colorado. The Atlantic coastline is about 500 miles long, and its territory extends inland in a rectangular shape.

Except for a few savannas the country's principal characteristic is its dense tropical forests. The capital, Libreville, has 31,000 inhabitants with Port-Gentil (population 20,000) the only other city of any size.

Gabon's population is estimated at about 440,000, including 4,500 Europeans, with an average density of only 4 persons per square mile. Most of the population centers around cities, and the mining and lumber areas, while large sections of forests and mountains are virtually uninhabited.

About 40 different ethnic groups live in Gabon, the most important of which are the Eshira, Fang, Omiene, Bakota and the pygmy Babingas. There are about 50,000 children enrolled in the nation's schools.

Limited agriculture

The Gabonese agricultural sector is largely undeveloped, due to topographical and demographic factors. While in some areas dense forests have limited production, in others the acidity and paucity of the soil has had the same effect. In addition, severely limited transportation facilities have hampered the movement of perishable products to markets.

The Gabonese generally prefer wood cutting, hunting and trade, which provide higher salaries, to food raising or animal husbandry. Food is produced largely for subsistence, the basic diet being bananas, manioc and taro. Government loans are increasing the output of cash crops such as coffee (1,000 tons), cocoa (2,500 tons), peanuts (3,000 tons) and rice (900 tons).

Oil-palm products are believed to be one of Gabon's great potentials, particularly in the Moabi area where a natural palm grove covers over 25,000 acres.

Although fish are plentiful along the Gabonese coast and in its lakes, fishing is done only for the domestic market. From time to time whaling is permitted.

Minerals are abundant

Gabon is rich in mineral resources. In addition to its vast forests, the principal source of its present wealth, Gabon has impressive mineral deposits. Exploration in recent years have revealed considerable finds of iron, manganese, uranium, potassium and oil. The total value of mineral production in 1961 was $15.6 million.

Manganese deposits near Moanda reportedly contain over 150 million tons of ore with a metal content of 48%. The Compagnie Minière de l'Ogooué (COMILOG), to which U.S. Steel contributed 49% of the capital, is developing these huge resources and exports are expected to begin by the end of the summer. Between 500,000 and 700,000 tons of ore should be produced annually.

Iron deposits at Mekambo have proven one of the richest deposits in the world, with proven reserves over 900 million short tons of ore averaging 63% iron content. The Société des Mines de Fer de Mekambo (SOMIFER), with Bethlehem Steel holding 50% of the capital, has finished prospecting and will eventually develop the deposits.

A 400-mile railroad is being constructed over difficult terrain to transport the ore to the coast.

In 1961, a total of 774,448 metric tons

of petroleum were produced from the deposits near Port-Gentil, where Mobiloil is associated with the French Company SPAFE in drilling operations.

Uranium, gold, and diamonds are also produced and there are also indications of lead, zinc, copper and silver deposits near Bengo.

Little industry

Industrial development in Gabon is limited, with the most important industrial areas being those connected with the processing of timber-sawmills, and a plywood and veneer factory. The Compagnie Française du Gabon (CFC) in Port-Gentil is one of the largest producers of plywood in the world.

There are rice mills and palm oil processing mills in the south, as well as a soap factory and a small shipyard. Looking to the future the Government and the Chamber of Commerce are studying the establishment of industries to process Gabon's primary products.

A cement factory, a petroleum refining plant and industrial facilities for the manufacturing of cellulose products and packing materials and possibly newsprint are all being considered.

Gabon's development plan envisages the establishment of an industrial area around Libreville. The hub of this regional development will be a 20,000 kilowatt hydroelectric plant on the Kinguélé Falls.

Forests dominate economy

The economy is currently based principally on its forestry wealth. Gabon woods include okoume, excellent for plywood, mahogany, kevazingo and ebony, and cover 75% of the country's land surface. The 1961 production of okoume logs amounted to 781,700 long tons, of which 656,000 tons worth $22 million were exported. Together with other woods and plywood Gabonese forest exports reached a total value of $30 million.

Depletion of the okoume tree in the more accessible areas has led to the opening of additional regions in the interior for cutting.

The wood is cut and transported by truck or floated to the major loading areas at Owendo, Mayumba, Banda or Port-Gentil. While wood-cutting is performed by a number of companies, the distribution and marketing are controlled by the Office des Bois de l'Afrique Equatoriale.

The Government has begun a program of reforestation in the more accessible zone, and over 7,000 acres of okoume have been planted. Efforts are also being made to improve existing trees, thinning and clearing the forests, and introducing new varieties of trees.

The Government hopes to maintain its forestry production without depletion for many years to come, and future plans for internal use of woods envisage the construction of a paper pulp plant near Libreville.

In 1961, Gabon's foreign trade showed a favorable balance of approximately $9.3 million. Exports, principally of wood ($32.1 million) petroleum, uranium and cocoa, amounted to $55.6 million. The primary purchasers were France (56% of the total), Israel, Britain and the Netherlands. Common Market countries took ¾ of the total exports, while the U.S. accounted for 2%.

Gabon's more important imports include foodstuffs, machines and equipment, motor vehicles, heavy tractors, construction material, iron and steel manufactured products. Once again her principal suppliers were France (60% of the total) followed by the U.S. (12%), West Germany (8%), and Great Britain (3%).

Imports from the U.S. and Canada were valued at $4.7 million, while exports to this area reached only $1 million, leaving a dollar trade deficit of $3.6 million.

Principal U.S. sellers

Gabon's principal imports from the U.S. include motor vehicles, heavy trucks, machinery, equipment, spare parts.

As a member of the franc zone Gabon's trade with France is free, while imports from other areas are subject to an import licensing system. Products from all countries are subject to taxes of approximately 25% ad valorem. The procedures in effect for the allocation of foreign exchange are practically the same as in Congo (Brazzaville).

Future sales outlook

In the commercial policy field the Customs Union of Equatorial African States, which became effective on July 1, 1962, introduced a new tariff feature. Imports from the U.S. are subject to a 10 to 30% import duty, while goods from Common Market countries will be duty exempt until December 31, 1962.

The forthcoming association of these countries with the Common Market will further affect the importation of American goods.

Because of Gabon's special relationship with France and long established economic ties between the 2 countries, strengthened by extensive financial and technical assistance provided by France, its products enjoy a special position on the Gabonese market.

Most of the trade is done by large import-export companies, with principal offices and purchases made in Paris. France extends about $9 million a year of assistance devoted to infrastructure, health and education.

Industrial development

The Gabonese Government is completing work on a 6 year (1963-1969) development plan, which sets forth specific projects for economic development, outlines the institutions needed to implement the projects, and the trading, financial and personnel requirements for each project.

The plan concentrates its major productive efforts on the country's basic industry: lumbering. It also aims to establish small industries, improve agricultural production and train labor.

On November 6, 1961, the Gabonese National Assembly approved a new Investment Code. Similar to the codes adopted by the 4 Equatorial states, it contains genuine guarantees and privileges for new foreign investment.

Various guarantees assure repatriation of earnings and capital, specify tax and customs reductions and spell out in detail various tax advantages. Gabonese officials told Mission members that the Investment Code expresses the desire of the Government to maintain a climate of confidence between the state and private enterprises.

Permanent housing exhibit to be opened in Bonn

A permanent housing and construction exhibit, operated by a private firm in Bonn, will be open to the public in late 1962.

Fritz Fleger, manager of the exhibit, said at the time the first construction stage is completed, 1,500 square meters of exhibit space will be available. After completion of the second stage (the date is not definitely set) the total exhibition space will amount to 2,500 square meters.

In view of the growing emphasis given by the federal government to civil defense, 500 square meters of exhibition space will be permanently reserved for exhibits relating to construction in that field.

Other priorities will be given to construction and design of flat roofs; prefabrication and assembly; insulation against sound, cold, heat, and moisture; heating and air conditioning; windows and doors; sanitary projects and installations.

U.S. suppliers and construction firms interested in the German market should contact Bauschau Bonn GmbH., 532 Bad Godesberg, Kappelenstr. 3, for further information.

Belgian boom roars ahead; U.S. tariff hike minimized

Squabble with ECSC may increase U.S. coal sales; labor shortage persists; already high investment stimulated

Far from sharing in the general levelling off of West Europe's growth rate, Belgium's economy is perking along at record levels, and the carpet and glassmakers are gradually recovering their optimism following the initial angry reaction to U.S. tariff hikes.

Continuing prosperity is reflected in record trading levels which indicate a rising market for U.S. goods, and a Belgian tiff with the European Coal and Steel Community (ECSC) may open the way to higher U.S. coal sales.

Industrial activity during the first quarter continued at the high level of the second half of 1961 and 3% above first quarter 1961, which suffered from the December-January general strike and its aftermath, according to the U.S. Embassy in Brussels.

Steel production during the first 3 months of 1962 amounted to 1.8 million tons, compared with a quarterly average of 1.7 million for 1961. After a voluntary cutback late in 1961, producers raised production to higher levels during the quarter. Prices remained generally satisfactory, though some weakness was noted.

The big news in the steel industry was the late April announcement that the High Authority of the European Coal and Steel Community (ECSC) had approved the Selzate steel mill project near Ghent and will aid in the financing. Under construction for more than a year, the project is expected to begin promptly.

U.S. tariff hike minimized

The flat glass industry carpet producers, reacted sharply to the U.S. tariff raise. After the initial flareup, commentators say that glass shipments will not be seriously reduced, although profit margin will suffer.

Convinced that American demand exceeds the domestic supply, Belgian producers believe the U.S. will continue to require imports. In 1961 the U.S. took 22% of Belgium's flat glass exports. A Belgian journal said the price hike announced by U.S. glass producers after the tariff increases, plus the quality of the Belgian product was likely to soften the effects of the increase.

OPEN SESAME: A drawbridge over the Baudouin Lock at Antwerp, Belgium, opens to pass a British ship. Much of Belgium's burgeoning trade flows into Antwerp, her busiest port. (World Bank Photo).

The shortage of miners, which has hampered coal producers in recent months, has become so acute that coal production was not able to meet demand. A total of 5.2 million metric tons was produced during the quarter, only 3.8% above the comparable period last year when the industry was crippled by the long January strike.

Pithead stocks continued to fall, dropping from 4.4 million metric tons at the beginning of January to just above 3 million at the quarter's end. Plans have been made for recruiting 5,000 Spanish miners. This group will substantially increase the working force, which fell from 88,000 on January 1 to 86,800 at the end of March. One year ago the mine work force totaled 99,240.

Troubles with ECSC

The Government had considerable difficulty with the High Authority of the European Coal and Steel Community during the quarter. A proposed new tax on coal consumption to finance miner's salary increases was rejected by the High Authority.

Discussions were begun and continued through the period on whether the powers of the new Belgian Coal Directorate infringed on those of the High Authority. The Minister of Economic Affairs has agreed to modify the Directorate's powers, giving it merely an advisory role in setting production quotas.

The High Authority also ordered the cessation of subsidized Belgian coal exports to Italy. Shipments reportedly will be stopped at the end of 1962, and orders for 300,000 tons of metallurgical coal for 1963 shipment will be canceled.

U.S. coal may benefit

Belgian steel producers filed a protest to the continued isolation of the Belgian coal market with the High Authority. Citing reduced coal stocks and the serious labor shortage, the steel men urged that import controls be lifted. If controls are removed, U.S. coal producers will undoubtedly receive important orders.

Textile production during the quarter was at near-record levels, despite some serious weaknesses. Woolen mills were especially active, though profits were down and orders were slackening. The cotton spinning sector remained the weakest of all, with domestic demand especially disappointing.

Linen production was high, but increased Polish competition was felt in the important U.S. market. Manufacturers of woolen carpets, hard hit by the U.S. tariff decision, began laying off workers, and some mills geared exclusively to the U.S. market are expected to close.

Chemicals enjoyed a good quarter, though poor weather stalled fertilizer sales.

Metal products jump

The latest production data available for metal manufactures (fourth quarter 1961) showed a 6% increase above the high third quarter level. The domestic market accounted for the entire rise.

Telecommunications equipment and television sets were especially in demand. During 1961, the industry set many records, with deliveries for the year up 10.8% from 1960 and orders 24.3% higher.

The usual spring construction boom was delayed by an exceptionally long winter, though activity increased at the end of March.

The outlook for the industry is good, however, with the record number of building permits issued in 1961 offering a guarantee of peak activity in 1962. Moreover, contracts for public projects were 30.3% above the similar period in

1961. The shortage of workers, however, may restrain the industry's expansion.

Investment good, more wanted

Although the rate of private investment in industry has been rising, the Government has adopted a policy of fostering further investment increases within the framework of a 5-year development plan. An important instrument for encouraging such investment was created in April, with the adoption of the Government's bill establishing a National Investment Corporation to provide risk capital, particularly for new industries.

Labor shortages have become common, whereas during 1961 they occurred only in scattered areas. Unemployment fell to 80,100 at the end of March, down more than 24,000 from a year earlier. Of the jobless, less than 30,000 were considered employable.

Trade level still high

Foreign trade during the quarter continued at the high level reached during the last quarter of 1961. Provisional data show that imports rose to $1,095 million (54.8 billion francs), 2.5% above first quarter 1961, and exports jumped 18.7% to a new high of $1,092 million (54.6 billion francs), as shippers forwarded goods delayed at the end of the year in order to benefit from lower Common Market internal tariffs effective January 1, 1962.

January exports set an all-time record of $372 million (18.6 billion francs) which was exceeded again by the March total of $376 million (18.8 billion francs). Imports of machinery were exceptionally high, indicating a continued high level of investment in new plants and equipment.

Payments surplus drops

The provisional 1961 Belgium-Luxembourg Economic Union (BLEU) balance of payments indicates a reduced surplus of $26 million (1.3 billion francs), compared to $98 million (4.9 billion francs) in 1960. There was a surplus of $62 million (3.1 billion francs) on transfer account, but deficits on capital account reduced the overall surplus to $12 million (600 million francs) compared with $122 million (6.2 billion francs) in 1960.

There was, however, a marked improvement in the trend of the BLEU balance of payments during the latter half of 1961.

The budget year 1961, including the overlapping fifth quarter, ended on March 31, 1962 with fiscal receipts of $2.25 billion (112.4 billion francs), an increase of almost $210 million (10.5 billion francs) over the 1960 fiscal year. The increase reflects both higher business activity and increased transaction taxes introduced in May 1961. January-March tax receipts under the 1962 budget were $34.9 million (1,745 million francs) above the first quarter of 1961.

Debt rise slows

During the first quarter, always a period of heavy Government borrowing, the public debt rose $152 million (7.6 billion francs) to $8,372 million (418.6 billion francs). This represented a considerable improvement over the similar period last year when the debt rose $204 million (10.2 billion francs). Furthermore, the effective rise in the debt for the first 3 months was actually only $136 million (6.8 billion francs) if one subtracts the $16 million (800 million francs) of fictitious debt caused by the operations of the International Monetary Fund (IMF) in reimbursing Belgium's 1961 advance on behalf of the pound sterling.

Short term interest fell significantly during the first quarter, mainly due to the deliberate policy of the Government and the National Bank. Other contributing factors were the high general liquidity due to large export receipts, an influx of short term funds and the easing of public finances.

Credit loosened

The discount rate was progressively lowered from 4.75% in December to 4% on March 22. Banking reforms made effective January 1 permitted the banks to increase their credits to the private sector, rather than automatically increasing their public security holdings as deposits rose.

The 65% "cover coefficient" became a stable floor applicable to the average of demand deposits during January-October 1961, so that any increases in deposits could be loaned to private borrowers.

The combined gold and foreign exchange reserves of the National Bank, amounted to $1,654 million (82.7 billion francs) at the end of March, virtually unchanged from the $1,657 million (82.9 billion francs) 3 months earlier, but well above the $1,439 million (72 billion francs) at the end of first quarter 1961. The virtual equilibrium in exchange reserves resulted from large receipts of foreign exchange from private transactions which offset Treasury drawings to reimburse foreign debt.

The reimbursements have brought the forward obligations of the National Bank from $554 million (27.7 billion francs) at the end of December to $438 million (21.9 billion) on April 27.

Britain may revise TV standards; U.S. sales should rise

Committee wants 625-line sets; outlook for color sets is excellent

American TV-set maufacturers have an excellent chance to expand their share of the British market for both black and white and color sets, as well as equipment using UHF bands.

A Government committee to survey television in the United Kingdom has recommended that the line definition standard in Britain be changed from 405 lines to 625 lines and that color television on 625 lines be introduced as soon as possible.

The Pilkington Committee also recommended use of ultra high frequency (UHF) bands. Regarding color television, the committee stipulates that the service be on 625 lines though it realizes that no part of the country is likely to have a color service until UHF transmissions are available.

Although certain of the committee's recommendations regarding programming are likely to arouse violent controversy, its technical recommendations seem to have won general approval.

U.K. manufacturers of television equipment have been waiting for a resolution of the line standard issue, and now anticipate a thriving business in receivers in the home market during the transition to 625 line service, and new export possibilities now that the home market is adopting the same television standards as Continental Europe. Manufacturers believe that potential buyers of new sets have been holding off until the committee report. Aerial manufacturers expect a brisk business in supplying UHF aerials for new sets and replacing existing VHF aerials.

It is in color television that U.S. manufacturers may find export opportunities. British manufacturers are likely to go slow in moving into the color field, and the shift to 625 lines may make it worthwhile for U.S. producers to consider the U.K. market for color television.

There are no import restrictions and the import duty on television sets is levied at 20% ad valorem. A purchase tax of 45% is also levied on all television sets, whether domestically produced or imported.

Korea's 5-year plan attracts U.S. investors and suppliers

Inflation continues, but government-owned firms stronger; diversification drive aims to produce items now imported

South Korea's reform program is producing both heartening and discouraging signs as it swings into its second year, but it is providing American business with investment and supply opportunities for development projects under its ambitious 5-year plan.

A group of 28 prospective American investors headed by General Van Fleet visited Korea in May to study specific investment projects and several letters of intent were signed for feasibility studies.

The Republic of Korea announced a currency reform on June 9, replacing all hwan by the won at a 10 hwan to 1 won ratio (130 won now equals $1).

All currency had to be deposited in banks and these deposits were initially blocked, although there has since been some unfreezing of funds. The announced purpose of the reform was to uncover illegal hoarding, reduce potential inflationary pressure, and induce saving in long-term deposits. *(See story, p. 42)*

The reform's immediate effect has been a suspension of business activity. Some businessmen have expressed concern over Government intentions concerning the blocked funds and have speculated as to when they would become unfrozen.

Business cautious

Business has taken a wait-and-see attitude similar to that which followed the May coup of last year. Activity will probably resume a more normal pace after the fall crops are harvested. Before the reform the economy was just resuming a more active pace after a first quarter slump.

The December production high had been partially caused by producers' attempts to beat January 1 sales tax increases which rose from 20 to 650% on such consumer items as sugar, woolen goods and alcoholic beverages.

Other factors were an improvement in raw materials supplies and some pent-up consumer demand following the drop-off in purchasing after the May coup.

The Government is trying to promote widespread support both in Korea and abroad for the 5-Year Economic Development Program.

The plan has stirred hopes that it will strengthen the industrial and agricultural base of the country by the end of 1966. It emphasizes improvement in electricity, coal mining, transportation, communication and such basic industries as cement and fertilizer facilities, an oil refinery and a steel ingot plant. Nylon and rayon yarn textile facilities are to be built, cotton and woolen textile capacity increased and a special effort is being made to increase production and export of silk fiber and fabrics.

Local industry develops

The Government is encouraging the expansion or reorientation of domestic industries to produce commodities which have previously been primarily imported. An example is the redesigning of a factory to produce crystalline glucose from sweet potatoes. Domestic sugar production is expected to cut imports almost in half.

Similarly, increased or modified production facilities in the wool textile and fertilizer industries, when completed, can replace much of the present imports of these important commodities. These and other programs outlined in the 5-year plan should be very helpful in curtailing the present disparity between imports and exports.

In the agricultural sector, reclamation of non-arable land for cultivation and more intensive farming is aimed at self sufficiency in staple foods and increasing the production of special crops such as cotton, flax, peppermint and castor beans. Forestry programs emphasize reforestation.

The fishing industry is scheduled to receive an uplift through increased catches, processing, and exports.

The mineral industry will concentrate on intensified coal and iron ore production, and the construction of a tungsten refining plant.

Industrial output wavers

Economic progress has not yet met expectations, particularly after the encouraging boomlike conditions of late 1961. Industrial production declined during the early part of the year and the continued advance in prices has helped deflate optimism.

However, production improved in March and continued to gain until the announcement of the monetary reform in June. Output of coal, electric power, rubber products, chemicals, beverages, wood, cork, food products and machinery had shown important increases after declines during the early part of the year.

Inflation continues

It is too early to determine whether the currency reform will reduce inflationary pressures.

The National Wholesale Price Index has continued to rise this year. During the first quarter it showed a 7% increase over the final quarter of 1961. In the second quarter the rise continued, but was not as sharp.

The budget deficit during the first 3 months of 1962 was approximately 2.5 billion won. Credit increased during this period.

Time deposits were still rising right up until June 9, with businessmen deferring investment expenditures and apparently satisfied that the annual 15% interest on deposits was a sufficient hedge against the inflationary trend.

Reflecting the general availability of funds, the market yield on national bonds continued to decrease from a high of 36% annually in the first quarter of 1961 to the present level of about 20%, which is near the rate of commercial bank loans.

Investment interest shown

Despite these apparent weaknesses in the economic pace, the Government continues to implement programs which have had a positive effect on the economy. One particularly successful area has been the business operation of government-controlled companies. The Government recently announced that some of these customarily deficit-ridden companies are now making a profit, and their improved condition has created considerable interest in their stocks.

The Government has reacted to this favorable situation by offering shares of the newly reorganized Korean Electric Power Company. Stock in this firm had been scheduled for sale at some undesignated time this year, but the Government is offering them now to take advantage of the firm's popularity and increased value of shares.

The currency reform may forestall any large scale buying until the complete reform program is revealed. The much hoped for rise in private investment, both domestic and foreign, has not yet given

the anticipated spur to the economy. One of the expressed purposes of the reform is to gain control of large money deposits and channel them into investment programs.

Foreign exchange transactions list a total of $9.6 million in exports and $86.8 million in imports for the first quarter. Both are higher than for the same period in 1961.

The Government continues its efforts to promote exports. The new Export Encouragement Law, promulgated on March 20, provides for the linkage of export receipts to import permits. Exporters are to be encouraged by the prospect of importing goods which normally bear an attractive profit. Export subsidies which varied from 5 to 25 won to the dollar have also been continued.

Recent sales of foreign exchange indicated that a relatively large volume of goods would be imported in the coming months. Projections of the present import level on an annual basis indicate that the 1962 receipt of goods would exceed 1961, but the import picture could change noticeably if importers curtail prospective orders as they await the outcome of the currency reform.

Refinery in Libya opens new market

Demand for kerosene-operated apparatus should develop

Esso Standard (Libya) recently announced the award of a contract to design, engineer, and deliver a refinery at Marsa Brega, the Libyan oilport terminus serving the Zelten oil field.

Scheduled for completion by mid-summer 1963, the refinery will manufacture both premium and regular grades of gasoline as well as kerosene, diesel fuel, and fuel oil from Libyan crude. It will be able to refine an average of 8,000 barrels of crude a day.

This project is of special interest to American exporters because kerosene production in Libya and its subsequent availability at relatively low prices should result in greater demand for kerosene-operated lighting, cooking, heating, and refrigeration apparatus.

At present time, kerosene-operated apparatus are not being used to any substantial degree in Libya.

American suppliers, by investigating this market promptly, may find excellent prospects for the establishment of profitable agency relationships.

Argentina considers improvement of railways, roads, waterways

Study says rails deteriorating, new highways needed; dredging and replacement of river fleet recommended

The Argentine Ministry of Public Works and Services has published a report covering a 10-year blueprint of the measures necessary to achieve the integrated development of the country's railways, highways and waterways.

The United Nations Special Fund made a grant of $475,000 to cover part of the foreign exchange costs of the study, the Argentine Government paying the remainder and all local costs.

The World Bank acted as the executing agency for the Special Fund.

Railways deteriorate

The report emphasizes the serious and long-continued deterioration in the properties, operations and finances of the Argentine railways. It states, however, that the railways remain essential; they must, therefore, be restored to efficient operation.

As one important step toward rehabilitating the system and making it viable, the report proposes that at least 14,000 kilometers of railway line—almost a third of the present system—be abandoned.

Freight and passenger schedules should be reorganized, and improvements made in roadways, yards, terminals and maintenance facilities.

All existing steam locomotives should be replaced by diesels, and a drastic program of modernization is proposed for rolling stock; total purchases would include 831 diesel locomotives, 33,000 freight cars and about 2,500 passenger cars.

The report calls for changes in the legal status and organization of the Argentine railways, to permit them to be operated in a manner similar to a business enterprise, to keep them free of political interference, and to make sure they will be placed under competent management.

Increases in freight rates and passenger fares, and a variety of measures designed to achieve and maintain an efficient labor force are other "unpopular" policies which the report calls vital to success of the program.

Total cost of the railway program for the 10 years 1962-71 is estimated at about $1,450 million. Of this amount, about two-thirds would be in foreign exchange, most of which would be needed for the purchase of rolling stock.

Road traffic to rise

Over the next 10 years, the report estimates, passenger traffic on the roads will increase by about 115%, and truck traffic by about 100%.

To meet this demand, the report calls for a 10-year program of construction, reconstruction and modernization covering over 40,000 kilometers of highways.

These proposals, which continue an already-existing program, are estimated to cost about $793 million. In addition, the equivalent of $183 million would be spent on maintenance.

If the recommendations of the report concerning abandonment of uneconomic railway lines were adopted, a further 6,665 kilometers of new highways, estimated to cost $122 million, would be needed to replace these lines.

The report proposes establishment, within the National Highway Administration, of separate departments for planning and investigation. Although not advocating restriction of motor carriers by any system of licensing, it believes that forhire carriers should be required to observe published rates.

Replace river fleet

The report recommends hydraulic studies and dredging of the waterways system, which is based on the River Plate and its tributaries. It recommends replacement of much of the river fleet, which is largely "far beyond its economic life."

Because the two state-owned shipping enterprises are "ill suited to a system which would permit the best adjustments of water transport to trade requirements," the report believes they should be transformed gradually into a small number of medium-sized private enterprises. The smaller private owners are advised to combine into cooperative groups.

Proposals are made for reforming the freight tariff structure, overcoming labor difficulties, and improving the equipment and administration of ports.

Total cost of the waterways program is estimated, at 1961 values, at about $169 million.

INVESTMENT KEY

Benefits of production-sharing cited; developing countries seek additional enterprises

Overseas investments by U.S. firms could be furthered by application of novel marketing approach

Production-sharing may solve the special problems of U.S. private-enterprise participation in the development of needed new mining and industrial enterprises in some less developed countries.

Equity participation is blocked at present in a number of countries by 3 basic problems:

1. Lack of adequate foreign-exchange resources to permit U.S. investors to convert their earnings and repayments on initial investments into dollars;

2. Inflationary conditions which have brought serious losses due to exchange rate deterioration, even where convertibility of earnings and repayments is possible;

3. Insistence of some governments that full equity control in local enterprises be retained by their own nationals or by the government itself.

In this situation, U.S. participation has frequently been impossible—even in cases where a country wanted participation by a U.S. firm and the firm itself was eager to proceed.

The result has been a loss of export business for U.S. machinery and equipment manufacturers. In some cases projects were then built by a Soviet-bloc country under a barter agreement.

Novel approach

A novel approach to these problems was demonstrated in a recent agreement between a European firm and the government of a developing country. Construction of a plant to produce vegetable oil and by-products at a cost of about $2 million was involved.

The plant will be owned and operated by an agency of the government of the developing country.

All funds will be advanced by the European firm with its own country's investment guarantee further secured by the central bank of the developing country.

Under this agreement the European firm will market the total output, retaining a share of the proceeds to retire the original financing with interest.

The government guarantees availability of sufficient raw material to operate the plant at a level that would retire the investment with interest payments in a relatively short period.

In addition, continuing participation and profits are possible. A provision in the contract states that the arrangement will remain in force as long as the government agrees to further capital improvements or additions to be made by the European firm.

Other advantages

Besides the interest on the invested capital, there are further compensations based on the sale of the plant's output. These vary from country to country but could well include:

1. Brokerage commissions;
2. Pioneer industry advantages (tax exemptions and other competitive benefits);
3. Exporters' bonus;
4. Discount possibilities in the importing country;
5. Other trading discounts.

These earnings, in the aggregate, could represent a gratifying return on an investment.

The arrangement has distinct advantages for the developing country because it provides a marketing mechanism for the product, increases export earnings and satisfies nationalistic interests.

Advantages for the investor are a quick writeoff of investment with possible continuing profits and an assured repatriation of earnings and capital. The question of nationalization does not arise in this arrangement.

Indonesia interested

Indonesia has been especially interested in promoting production-sharing agreements with foreign investors.

The Government is eager to receive investment proposals on this basis and there are many indications that profitable production-sharing arrangements could be arranged.

Investment fields in which the Indonesian Government particularly desires production-sharing arrangements are mining, forestry, fishing, and agricultural processing industries.

Foreign firms which so far have invested in Indonesia on a production-sharing basis include Japanese companies in petroleum and nickel mining, a Canadian firm in petroleum and an American firm in commercial fishing. Two other U.S. firms are looking into similar ventures in other fields.

This approach seems worthy of investigation by U.S. businessmen in a number of less developed countries.

Further information can be obtained from the Office of International Investment, U.S. Department of Commerce, Washington 25, D. C.

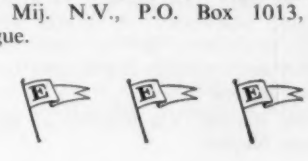
Production facilities offered in Netherlands

A Dutch manufacturer of telephone and telegraph equipment is interested in manufacturing for American firms that want European production facilities.

The firm would prefer contacts with U.S. firms which have their own European sales organization.

It states that it is specially organized for production and end assembly, according to third party drawings.

Write to Nederlandsche Standard Electric Mij. N.V., P.O. Box 1013, The Hague.



Capital investment in Ecuador to be furthered

New committee to provide studies of investment possibilities

Ecuador has set up a new committee to promote capital investment in the country.

The group, the Executive Committee of Promotion and Publicity, will provide information on Ecuador's investment promotion policies, economic conditions, industrial opportunities, and assistance available for foreign investors as guaranteed by the laws of the country.

The committee was established through the initiative of the Ministry of Development of the Government of Ecuador, in conjunction with representatives of the Development Center (CENDES), the National Planning Board, and the Ministry of Development.

The U.S. Department of Commerce expects to receive résumés of specific investment studies.

Address inquiries to the Office of International Investment, U.S. Department of Commerce, Washington 25, D.C.

Austrian company offers license for liqueur

A Vienna liqueur maker wants to license a U.S. firm to produce its bitters.

The product can be consumed as a beverage, flavored with lemon, or mixed with lemon and soda.

The name and address of the Austrian firm is available from the Office of International Investment, Code 1014, U.S. Department of Commerce, Washington 25, D.C.

Plastic article output wanted by Italian firm

A manufacturer of plastic artificial flowers wants a license to make injection-molded plastic items in Italy.

The plant has machinery and equipment to color raw plastic, 50 injection molders, machinery to make hollow plastic containers, and is equipped to produce and maintain molds used on injection presses.

Write Renam, Via Rettifilo al Bravo, Arzano, Naples.

Pharmaceutical plant sought in Sudan

Khartoum importer asks technical and financial assistance to develop new joint venture

A Khartoum importer of pharmaceutical products seeks a joint venture with technical and financial assistance to establish a plant producing these items in the Sudan. The firm has been granted "approved enterprise" status by the Government of the Sudan.

The company wants to get in touch with a well known and experienced American producer.

The Sudanese firm is prepared to participate in the proposed enterprise to the extent of 25% of capitalization, not to exceed $175,000.

The general investment climate in this area is considered to be good at this time. An investment guaranty agreement between the Governments of the Sudan and the U.S. has recently been signed.

American exports to this area rose from $6.5 million in 1960 to $11.6 million during 1961.

The Sudan is experiencing increasing prosperity and potential American investors are invited to address inquiries to the Office of International Investment, Code 1-283-5, Department of Commerce, Washington 25, D.C.

Middle Africa offers opportunities

Varied license arrangements and joint ventures reported by recent U.S. Trade Mission

The recent U.S. trade mission to Middle Africa found several opportunities for joint ventures and licensing arrangements in this area.

The commodities and services reported thus far include cosmetics, drugs, caustic soda, tourist arrangements, sawmills, forest operations, and hotels.

Additional opportunities will be reported as complete information becomes available.

242 Sawmills, Planning Mills

Lumber and log dealer seeks joint venture in a rotary veneer mill. Write to S.I.D.B., B.P. 11, Pointe Noire, Congo.

Experienced sawmill operator wishes to obtain U.S. capital participation to augment production of azobe, frake (limba) sanoli, abom/obassem, avous and doussie. Write to R. C. Coron, B.P. 136, Yaounde, Cameroon.

281 Caustic Soda

Desires technical assistance on feasibility of producing caustic soda in Africa. Presently uses 150-200 tons a year. Centraco, B.P. 72, Bangui, Central African Republic.

283 Medicinals

Wishes to establish laboratory to process medicinal plants. Seeks joint venture including technical know-how and financial participation. Georges Pain, B.P. 108, Bangui, Central African Republic.

284 Cosmetics

Desires a licensing arrangement to manufacture cosmetics and toilet articles. Compagnie Olafric, B.P. 226, Fort Lamy, Chad.

472 Tourism

Seeks contact with U.S. travel agencies to arrange safaris and develop tourist possibilities. Particularly interested in package tours. Agence Trans Africaine, Place de la Republique, Centrafricaine, Bangui, Central African Republic.

701, 723 Hotels, Beauty Shops

Bar and hotel operator seeks joint venture for a combination of hotel with hairdressing services. Write to C. N. Menylois Enterprise, c/o Etonge Lyfite, Buea, Southern Cameroons, (WA).

S. African manufacture of machinery, equipment asked

A Transvaal firm of producing engineers wishes to enter into licensing arrangements to make wire-drawing machinery, welding manipulators, tractor winches, earthmoving equipment, industrial laundry and baking machinery in South Africa.

This firm produces woodworking machinery and mechanical transmission equipment and has connections in England, Canada, and Finland.

Write to Crofts Engineers, S.A. Pty., Ltd., Private Bag 1030, Benoni, Transvaal, South Africa.

New lumber company in Cambodia seeks capital, technical aid

Plans to develop forested area in southern part of country; investment law provisions cited

The Cabinet of the Government of Cambodia recently approved the organization of an integrated "mixed" company to develop the lumbering resources of the Veal Renh forest reserves in southern Cambodia.

American participation in the venture is sought, particularly in the form of technical know-how and capital.

The forest reserve, near Sihanoukville, is a thickly forested mountainous expanse which borders the Khmero-American Friendship Highway. Rivers in the area are deep enough to float logs in the dry season.

Equity split

The new firm has been capitalized at 80 million riels ($2.2 million at the official rate) and equity is to be divided between the Government of Cambodia and private Cambodian and foreign investors. Some 2,400 shares are now offered to the latter.

Private investors participating in a mixed company with prior authorization from the Government are offered a 10-30 year guarantee aganst the risk of nationalization.

There are also provisions for equitable indemnification. It should be noted, however, that Cambodia is not covered by AID investment guarantees.

Tax exemptions

The country's investment law provides the same treatment to foreign and domestic capital. Exemptions may be granted from taxes and levies on reinvested profits and on imported capital equipment and raw materials during the early years of an investment.

Profits may be transferred abroad at an annual rate of 10%, 15% and sometimes 20% of invested capital, depending on the degree of utility of the enterprise to the country's economy.

A copy of the articles, of incorporation of the company, in French, is available on a loan basis; write to the Office of International Investment, Code 3-240-3, U.S. Department of Commerce, Washington 25, D.C.

Dredging company in Ecuador plans to expand

Supplies sand to building trade; market potential considered good

A Guayaquil firm wishes to obtain American capital participation of $70,000 for machinery and equipment to expand its dredging operations. A share in the business or liquidation of this amount as a loan are offered in exchange.

The company dredges river sand, cleans and sells it to the construction and building materials trade.

It proposes to install 3 centrifugal pumps to increase production.

In addition, the company wants to obtain three 7-ton diesel trucks and envisions the construction of a marine railway for repair of its dredges.

When not in company use, the railway would be rented out. A concrete wharf would also be constructed.

The market potential for such building supplies is considered to be very good. Many low-cost concrete houses are planned for the Guayaquil area as housing needs are acute there.

Address inquires to the Office of International Investment, Code 2-353-1, U.S. Department of Commerce, Washington 25, D.C.

Hardware, kitchenware licenses asked

Venezuelan firm wants know-how to produce small metal products; Government policies favorable for industry development

A Caracas firm wishes to obtain licensing arrangements from an American manufacturer who can provide know-how for the production of metal kitchenware and small hardware items in Venezuela.

In exchange, equity and management participation are offered.

Little manufacturing

At present, the only kitchenware produced in Venezuela consists of inexpensive aluminum pots and pans.

Small implements such as machetes, hoes and axes are locally produced, but hardware items generally are not.

The Government of Venezuela energetically encourages and protects home manufacturers by exempting duties on the imports of raw materials and providing favorable import licensing policies. A new industry could reasonably expect that protective measures would be available for it when the enterprise is established.

Founded in 1959, the company now has paid in capital amounting to $60,000. The firm, however, has been inactive. Its registration under Venezuelan law permits all kinds of commercial, financial and industrial activities.

Address inquiries to the Office of International Investment, Code 2-342-1, U.S. Department of Commerce, Washington 25, D.C.

French licenses for safety devices, displays asked

Licenses for specialized printing items or for lifesaving and protective devices and articles are sought by 2 French firms.

A printer of display containers wants a license for items similar to its present specialization — printing, cutting, and shaping fancy or publicity cardboard packagings for foodstuffs.

Write to Weillrobert, S.A., 42-44 rue Botzaris, Paris.

Another firm specializing in manufacturing air and sea survival equipment is interested in making all kinds of U.S. lifesaving and protective devices.

Its present output includes clothing for aviators, parachutes, electrically heated jackets, and pneumatic boats.

For further information write SEDPA (Soc. d'Equipments Divers pour la Population Civile et l'Aviation) 16 rue Jose-Maria de Heredia, Bergeric (Dordogne), France.

India's low foreign exchange reserves spur import curbs, export incentives, closing of invoicing 'loophole'

Established importers' quotas cut in half to save $25 million as vigorous program of Commerce Ministry gets under way

A 50% cut in all quotas of established importers has been imposed as one of a series of moves to halt further decline of India's foreign exchange reserves from the recent all-time low of $213 million. The quota-halving is expected to result in a $25 million foreign-exchange saving.

The Government, concerned by the World Bank Consortium's delay in committing 1962-63 (April-March) aid, has also acted to promote exports and plug foreign exchange "loopholes," the U.S. Embassy in New Delhi reports.

U.S. aid excepted

The reduced quotas had taken effect only two months earlier under the import policy of April 1. Entitlements of consumer cooperative societies have also been reduced 50%. The new directive requires established importers to return licenses already issued so that the reduction in entitlement can be made and enjoins them from any further commitments for delivery of goods against licenses in their possession. Licenses for imports under U.S. aid agreements, however, are excepted from any reductions.

Actual user licenses issued against free foreign exchange will also be reduced. The Minister of Commerce estimates that the average decrease in actual user entitlements will be about 15%. No reexamination of actual user requirements has been made so far.

Travel curtailed

Another measure imposes foreign-travel restrictions. Under a directive of the Reserve Bank of India, all residents wishing to travel abroad must obtain the Bank's permission.

Efforts to increase exports will center around implementation of the export-incentive measures recommended in the May 1962 report of the Mudalier committee on import-export policy.

The Minister of International Trade has indicated that the Government will take strong measures to plug the foreign exchange "loophole" allowing the practice of over-invoicing imports and under-invoicing exports.

Rumored deep cut in Iraq imports not scheduled

Releasing 1962 program, official calls it comparable to last year

No drastic cut in allocations has been made in Iraq's 1962 import program, despite rumors, the Director General of Imports and Exports pointed out as he released the program last month. He said it is similar in magnitude to last year's, when import licenses valued at $324.8 million (116 million dinars) were issued, including about $28 million (10 million dinars) for rice.

As in 1961, the 1962 program divides goods into two categories, allowable goods and prohibited goods, so that for the second straight year there is no category of goods with unlimited allocations.

Import allocations are being applied to every category of allowable goods, but the allocation figures have not and will not be released.

The prohibited list is the same as last year's (FOREIGN COMMERCE WEEKLY, May 15, 1961, p. 18), with the following additions:

Primus stoves without pressure gauges; plastic pipes of 1/2, 3/4, 5/8, 3/16, 1/4, 5/16, and 3/8-in. diameters; rubber hoses of 1/2 and 3/4-in. diameters, except those used for medical and health purposes and for automobile washing and greasing; radiators, except those used for heating and cooling purposes; yarn and thread waste; figs, fresh and dry; mashed, dried, and sheeted apricots; sweet cakes; plastic bags; scrap iron; asbestos felt; asbestos paper; and curved automobile springs.

Reprints of the May 15, 1961 FCW article, listing the other 48 prohibited items, are available from the Near East-South Asia Division, Bureau of International Programs, U.S. Department of Commerce, Washington 25, D.C.

Import licenses will be granted only to traders registered with the Directorate General, and licenses will not be granted to those who have made no imports during the last 3 years. New importers will be registered only if they are Iraqi nationals and are registered with an Iraqi Chamber of Commerce, of which they must have been a member for at least 2 years.

No import licenses will be issued during December.

Pakistan raises duties on switchboard items

To protect the domestic electrical industry, Pakistan has increased import duties on switchgear, switchboards, and control panels from 12½ to 35% ad valorem.

The U.S. Embassy in Karachi reports that the increase applies to apparatus exclusively for use in circuits of over 30 amperes and at a pressure not exceeding 250 volts; also, to equipment exclusively for use in circuits of any amperage provided the pressure exceeds 250 volts.

Duty will be refunded on components imported for the use of the electrical industry until locally made components are available in sufficient quantity (as determined by the Government), after which the duty rebate will be discontinued and the duty will be increased an additional 5 percent.

Colombia places ceiling on auto-import sales prices

Colombia has set maximum sales prices for imported new automotive vehicles and parts, agricultural machinery and parts, as well as on vehicles assembled in Colombia.

Gross profits on imports of these items must not exceed 12% of costs of purchase, importation and distribution, the U.S. Embassy in Bogota reports.

El Salvador terminates concessions under 1937 trade pact with U.S. in Central American integration drive

Twenty-seven items accounting for 6.4% of U.S. exports to El Salvador are affected; most-favored-nation provisions still applicable

U.S.-El Salvador tariff concessions under the May 31, 1937 bilateral trade agreement will be terminated at midnight, Aug. 8, 1962.

Still in effect will be provisions for most-favored-nation treatment in customs matters, national treatment in the application of internal taxes, and equitable treatment in the administration of import policy. Terminated will be all schedules and directly related articles in the pact.

El Salvador, in an exchange of notes with the United States, requested and obtained mutual termination of the tariff concessions in order to clear the way for her full participation in the Central American economic integration movement—particularly the developing common market external tariff.

27 U.S. commodities

The 1937 agreement with El Salvador covers 27 U.S. products, including hams, canned salmon and mackerel, fresh apples, pears and grapes, dried prunes and raisins, canned peaches, pears, and salad fruits, canned asparagus, peas, corn, tomatoes and tomato juice, oatmeal, unsweetened crackers, rough and dressed lumber, tires and tubes, rubber hose, and phonograph records. For these items reduced import duties were granted while bindings against duty increases were granted for wheat, canned pork, and patent and other upper leathers.

A study of the coverage afforded by the agreement to U.S. products, indicates that in 1960, according to U.S. trade statistics, items covered were imported to a value of $2,726,969, or 6.4% of U.S. exports to El Salvador. Principal agreement items imported were tires and tubes, and leather, which accounted for $1.3 million or almost 48% of total U.S. exports of scheduled items. At the time the agreement was negotiated, items covered accounted for about 9% of U.S. exports to El Salvador, based on U.S. trade data.

A list of the items covered by the agreement follows, with indication of present Salvadoran import duties and those which will apply following effective termination of the schedule. Item numbers are those of the Salvadoran tariff according to the Uniform Central American Customs Nomenclature, but the commodity description is that of the Trade Agreement.

Specific duties are in U.S. dollars per 100 gross kilograms, unless otherwise indicated immediately following the item description; ad valorem duties are levied on the c.i.f. value. The agreement rate is given first, with the rate which will apply following in parentheses. In all cases but those marked with an asterisk, the rate which will apply is that set forth in the protocols to the Central American Agreement on Equalization of Import Charges. In the case of the asterisked items, which have not yet been equalized, the rate is that provided in the Salvadoran tariff.

012-01-00-01	Ham, except canned ham, $12 and 6% ($80 and 25%)
013-02-03-09	Pork, preserved or prepared in any form, with or without vegetables, in hermetically sealed containers $29.29 and 6% ($75 and 10%)
032-01-03-00	Canned salmon (*), $5 and 6% ($35 and 8%)
032-01-08-01	Canned mackerel (*), $5 and 6% ($35 and 8%)
041-01-00-01	Wheat in its natural state (*)[1], $5.20 and 6% (duty-free)
048-01-01-01	Oatmeal, rolled
048-01-02-01	Oats and other oat food preparations, $4.40 and 6% ($15 and 10%)
048-04-02-01	Soda and other similar crackers, of wheat or not (*), $8.80 and 6% ($50 and 10%)
051-01-00-00	Fresh fruits: Apples, pears, and grapes, $2.50 and 6% ($30 and 25%)
052-01-00-00	Dried and evaporated fruits: Prunes and raisins, $5 and 6% ($60 and 10%)
053-01-04-01	Canned fruit: Peaches, pears and salad or mixed fruits, in water or juice, with or without sugar, cooked or not, $7.50 and 6% ($60 and 10%)
055-02-02-00	Canned vegetables:
055-02-04-01	Asparagus, peas, corn, tomatoes, and tomato juice, $6 and 6% ($50 and 10%[2]; and $60 and 25%, respectively)
243-02-00-02	Sawed wood in pieces, including boards, planks and beams, planed or not, for any purpose, per M bd. ft., $6 and 6% ($3 per cubic meter and 20%)
611-01-01-00 611-01-02-00 611-01-03-00 611-01-05-00	Leather, not specified, tanned by any process, dyed, dressed or polished, including calfskin, $35 and 6% ($40 and 10%[3]; $55 and 10%)
611-01-06-00	Chamois, leather prepared like chamois, deer or elk skin, $35 and 6% ($55 and 10%)
611-01-04-00	Tanned goat skin, morocco, and kid leather, $35 and 6% ($55 and 10%)
611-01-08-00	Patent leather, $35 and 6% ($55 and 10%)
621-01-04-01	Rubber hose and heavy rubber tubing, plain, reinforced with canvas or metal, with or without metallic accessories, $10.40 and 6% ($25 and 10%)
629-01-02-00	Rubber tires, not specified (*), $10.40 and 6% ($30 and 10%)
629-01-02-00	Rubber tires for automobiles (including passenger cars, trucks, and buses) and airplanes (*), $10.40 and 6% ($30 and 10%)
629-01-02-00	Rubber tires for motorcycles and bicycles (*), $10.40 and 6% ($30 and 10%)
629-01-02-00	Inner tubes of any kind for any purpose (*), $10.40 and 6% ($30 and 10%)
891-02-02-01	Phonograph records (*), $18.60 and 6% ($50 and 6%).

[1] This is the rate specified in the agreement. In actual practice, wheat has entered El Salvador duty-free since Nov. 1, 1951 under terms of Decree No. 452 published in *Diario Oficial* of Oct. 24, 1951.
[2] Tomato juice.
[3] Sole leather not cut to size.

Cambodia accepted into full GATT membership

Following months of negotiations the Contracting Parties of the General Agreement on Tariffs and Trade (GATT) have agreed to full GATT membership for Cambodia.

A provisional member since 1958, Cambodia applied for full membership during the 1960-61 GATT Tariff Conference, under terms of Article XXXIII of the agreement.

Tariff negotiations required under GATT accession procedures were carried out by Cambodia during the 1960-61 Geneva conference.

Korea sets up 3 bank-deposit groups to take care of funds immobilized by last month's replacement of hwan

Blocked accounts valued at nearly $90 million, with full release slated for certain time, contractual and savings deposits

South Korea's recent currency shift from the hwan to the won, at a 10-hwan-to-1-won ratio (INTERNATIONAL COMMERCE, July 2, p. 37), has been followed by announcement of the Government's plan for deposits temporarily frozen at the time of the reform.

Under the plan, 3 categories of bank deposits are now established. Institutional accounts such as those of the central and local governments, financial institutions, United Nations forces and foreign diplomatic missions are completely released. Time and contractual deposits of at least one year in length and some saving deposits are released.

In the second category, funds are released within limits to be laid down in later decrees for the accounts of insurance companies, corporations established to implement the 5-year plan, and companies under public control.

Ratios set

All other deposits will remain partially blocked. Time and contractual deposits under one year and less than 30,000 won (approximately $231) will be released entirely. Time deposits over 30,000 won remain frozen in the following ratios: those of 6 months to a year duration, 35%; 3- to 6-month deposits, 40%; and deposits of less than 3 months, 45%.

For demand deposits a graduated scale of blockage was established: Accounts of up to 30,000 won unblocked; accounts of 30,000 to 50,000 won, 20% blocked; 50,000 to 100,000 won, 30% blocked; 100,000 to 500,000 won, 50% blocked; 500,000 to 1,000,000 won, 65% blocked; 1,000,000 to 5,000,000 won, 85% blocked; 5,000,000 to 10,000,000 won, 95% blocked; and over 10,000,000 won, 100% blocked.

The total value of blocked accounts is estimated to be near $90 million. The Government plans to issue shares in a new Industrial Development Corporation soon to be established. Shares in this corporation will be issued against blocked funds. When the shares can be sold against cash or unblocked deposits has not been announced.

To facilitate current business operations, arrangements have been made by the Government to provide non-interest bearing loans of up to 50% of blocked funds to the affected companies. It is thought that for the immediate future small and medium-size industries will be given priority in receipt of loans. The effect on large industries is still unknown.

Under general provisions for loans against blocked accounts and special loan provisions effective June 25, end-users can elect to use some loan funds for payment of imports. Similar loan provisions are not yet implemented for most trading companies with working capital limited to the unblocked portion of their deposits plus sums collected since June 10.

The problem of payment for imports is now acute. Currency-conversion regulations do not prohibit payment for past or future import shipments. However, the opening of an irrevocable letter of credit (L/C) before shipment is the only means of insuring prompt payment, since there is a severe shortage of local funds for both end-users and trading firms.

Import transactions financed with Korean-owned foreign exchange (KFX) are more severely affected than AID-financed transactions. The opening of a letter of credit with KFX requires a minimum cash deposit of 100 won per dollar, whereas AID-financed transactions require a minimum of only 20 won in cash or bank-payment guarantee at the time of sub-authorization. The cash balance is not due until 14 days before estimated arrival of the goods, which normally is considerably after the L/C is established.

FOREIGN CONTRACT AWARDS

Described below are recent contract awards for construction work and supply of equipment, materials and services. Although most of the work will be performed by the contracting parties, additional firms may be called upon to furnish assistance or services.

Supplemental information may be obtained on items designated by a star (★) from the Office of Commercial Services, Bureau of International Business Operations, U.S. Department of Commerce, Washington 25, D.C.

COSTA RICA—Government announced contract with Fertilizantes de Centro America S.A. (FERTICA) for establishment of **nitrogenous fertilizer plant** involving minimum investment of $7 million in plant and opening costs. Plant to produce at least 120,000 metric tons per year for sale in Costa Rica and rest of Central America. ★

HONDURAS—Government approved $960,000 loan from Inter-American Development Bank to defray costs of **highway and airport studies.** Contract for road studies awarded to Brown & Root, Inc., 4100 Clinton Drive, Houston 1, Texas, and to Bell and Associates, Phoenix, Arizona. Engineering firm which will receive $60,000 air studies contract not yet named.

HONG KONG—List of **construction and supply contracts** recently awarded by Government available on loan basis. ★

KOREA—$5 million contract for rehabilitation of **dam and facilities at Chongpyong** on Han River 30 miles north of Seoul signed between Stone and Webster Engineering Co., 90 Broad St., New York 4, N.Y., Korean Electric Co. and U.S. Operations Mission (for Agency for International Development). Base of present dam to be repaired and generators and outdoor transformers of Chongpyong power plant also to be rehabilitated.

PERU—Contract signed for **construction, improvement, and equipment of airports** under jurisdiction of Corporacion Peruana de Aeropuestos y Aviacion Comercial (CORPAC). Project calls for $5.3 million expenditure over 4-year period. Program to be carried out by N. V. Philips, Telecomunicatie de Hiversum (Holland), 29 Emmasingel, Eindhoven, Netherlands, and associated companies. Consortium offered completed package to CORPAC, including work, equipment and financing.

VIET NAM—$253,000 contract signed to establish **radio sideband communications system between Saigon and Bangkok.** Contracting parties are Philco Corporation, C & Tioga Streets, Philadelphia 34, Pa., and Government of Viet Nam. Project to finish in 6 months.

AID can now pay half of private foreign investment survey costs

Signs first agreement for resin market study in Pakistan; should spur overseas inquiries by tight-budgeting firms

Fowler Hamilton, Administrator of the Agency for International Development (AID), has announced the Agency's first participation with a U.S. firm in a study of an investment opportunity overseas.

The survey will be made by the Archer Daniels Midland Company of Minneapolis in East and West Pakistan under terms of a new AID program to encourage new investments in friendly developing countries.

AID can now participate in the financing of private surveys of investment opportunities in less developed friendly countries and areas since Congress has made $1.5 million available for such financing. AID's participation is limited to a maximum of 50% of the cost of any survey.

Archer Daniels Midland Company will use the survey to decide whether it will be technically and economically feasible to manufacture resins in Pakistan. If the company determines that such an operation is feasible, the firm plans to invest its own funds along with those of local Pakistani partners, to build resin plants in East Pakistan or West Pakistan, or both. The firm estimates that its machinery investment alone would be between $100,000 and $250,000.

Under the terms of the AID survey program, if the firm proceeds with its investment by September 25, 1963, the firm will repay AID's contribution to the survey costs. AID's maximum share of these costs is $1750.

If it should decide not to go into the venture, the firm would turn over the investment survey report to AID and it would remain the property of the U.S. Government.

Hamilton said he was happy that procedures for the administration of this program had been completed, so that potential investors can now take advantage of this opportunity to spread the costs of assessing investment opportunities in developing nations.

He added that he was encouraged by the fact that other applications had been received and were being processed by AID.

Hamilton pointed out that, while the cost of an investment survey may be relatively small, many corporations operate on tight budgets regarding the survey of new venture possibilities. Therefore, AID's financing of 50% of the survey costs can mean the difference between an American firm's deciding to explore an overseas venture or giving up the idea.

Honduras schools get $1.2 million through Alliance

Agreement calls for 96 new schools; sizes vary from 2 to 12 rooms

The people of Honduras will build 96 new schools through recent agreements with the Alliance for Progress.

Assistance from the Agency for International Development (AID) for school construction materials and furnishings will total $1.2 million, half as a dollar-repayable loan and half as a grant. The Honduran contribution in land, labor, materials and funds will be about $293,000.

More than half the rural children of Honduras have no schools and 80% of existing school buildings are inadequate. Completion of 23 U.S.-aided, self-help schools during the past year provided cost estimates for the 96 new schools, which will vary in size from 2 to 12 classrooms.

The program includes 20 two-room, 15 three-room, 40 four-room and 10 six-room schools. The others will be of 5, 8, 10, 11 and 12-room size. The project should be completed 18 months after materials become available.

Each school will consist of a concrete slab and tile floor, concrete block walls and partitions, wooden doors and window frames and corrugated asbestos-cement or tile roofs. The schools will also have kitchens with running water where available.

The $600,000 AID loan is repayable in dollars over 40 years, with the first payment on the principal due 6 months after initial disbursement. The interest-free loans carry a service charge of ¾ % per year.

UN gets $10 million U.S. grant to buy Congolese imports

Large part of recovery funds has been spent on U.S. goods

The U.S. Government has offered the UN a $10 million grant to finance Congolese imports. This latest grant will bring our aid to the Congo import program during the past year to $51 million, apart from Food for Peace shipments that amounted to more than $10 million.

The Congo is short of foreign exchange, a situation which is greatly aggravated by the continuing loss of foreign exchange revenues from Katanga.

Serious floods during the past year disrupted communications and agricultural production. Transportation has also suffered from deterioration of equipment and shortages of spare parts, and normal exports have declined substantially.

The UN in Leopoldville has made a considerable effort to improve public administration staffing; expand technical aid, especially with regard to public finance and monetary management; provide public works programs and unemployment relief; and improve transportation and communications.

The UN allotted $8 million of the $18 million provided by the U.S. in April and May for the purchase of American vehicles and spare parts.

Rehabilitation will be greatly facilitated by the restoration of national unity. The work of constructive planning for economic growth could then be based on the total resources of the country and the private sector should be able once again to play a major role in the Congo's development.

AID loans Israel $35 million for U.S. machinery

Will relend funds to private firms to manufacture export goods

The Agency for International Development (AID) has authorized a loan of $35 million to Israel, for purchase of U.S. capital goods, materials and services to help develop Israel's economy.

Loan authorizations for Israel during the 1962 fiscal year now total $45 million. The loan funds are required by Israel for the development of its productive enterprises, particularly its export industries. This is part of an effort to achieve a level of exports by 1965 sufficient to compensate partially for an anticipated decline in such other sources of foreign exchange as German reparations.

More than 95% of the new loan funds will be re-lent by the Government of Israel to private enterprises. The Israeli firms will use the funds to purchase American equipment, machinery, materials and services for mining, chemical, plastics and pharmaceutical industries; vehicles, tractors and parts; iron and steel mill products; construction and earth-moving machinery, equipment and parts; electrical machinery, parts and engineering services; metal manufactures, and computers and other office equipment.

The loan is repayable in dollars within 20 years, including a grace period of up to 5 years, and will bear interest of ¾%.

Alliance initiates survey of C.A. transport, industry

The Central American Bank for Economic Integration will prepare a regional transportation plan, survey industrial opportunities and analyze the Central American Common Market under an agreement financed through the Alliance for Progress.

The Agency for International Development (AID) will provide up to $1 million for studies in Bank member countries: Honduras, El Salvador, Guatemala and Nicaragua.

Priorities for highways, railroads, airports and coastal and river shipping facilities will be established in the 10-year transportation plan. Another study will concern the potential of industrial parks, with initial surveys in textiles, chemicals, glass-ceramics, metal fabrication and food processing and distribution.

The Bank's analysis of the Central American Common Market will include 10-year economic projections for industry and agriculture.

U.S. credit aids Syria's stabilization program

The Agency for International Development (AID) has joined a cooperative international effort to help stabilize the Syrian economy, by authorizing a $9 million credit for Syria's Central Bank.

The credit is part of more than $40 million in loan assistance being extended by a group including the International Monetary Fund (IMF), the U.S. Export-Import Bank, and German and Italian banks in connection with Syria's stabilization agreement with the IMF.

The IMF granted $6.6 million in drawing rights, while the Export-Import Bank is providing another $5 million in credit. Germany and Italy are providing the balance of $21 million.

The AID credit, for which the Syrian Government is guarantor, is repayable in dollars over a period of 3 years, beginning June 30, 1964, and will bear annual interest of 5¾%.

Brazil's Alliance planners get $450,000 AID grant

The U.S. and Brazil have signed an Alliance for Progress agreement to improve effective planning for national and regional development, as called for by the Act of Bogota and the Charter of Punta del Este.

In accordance with the goals of the Alliance, Brazil recently established a National Planning Committee (COPLAN) which has received a grant of $450,000 from the Agency for International Development (AID). Further resources will be provided by the Brazilian Government and other national and international organizations.

So far, Bolivia, Chile and Colombia have presented national development plans to a 9-man panel of experts, mostly from Latin America, charged with studying plans submitted under the Alliance Charter. Plans of other Latin American countries are in various stages of preparation.

Half million goes to water project in Burma villages

Will serve villages for retired servicemen; funds will buy equipment and supplies

A $500,000 development grant from the U.S. to help build a piped water system for Burmese villages has been announced by the Agency for International Development (AID). Villagers, with Burmese army resistance, will do as much of the work as possible.

Burma will add an estimated $300,000 in labor and construction materials while the U.S. funds will be used to purchase American equipment and supplies.

Known as the "Namsang Civic Action Project", the water system development is taking place in mountainous eastern Burma. It will serve retired military personnel being resettled there and in nearby Shan villages.

Work has commenced on the engineering surveys, and excavation for pipe lines and reservoirs will be started immediately. When completed the project will include 17 reservoirs, 2 primary pumping plants, 2 filter plants, and 1 booster pump station to serve 15 villages in the area as well as 10 existing Shan villages.

Filtered water from the reservoirs will be provided to each village by the gravity flow system. To facilitate irrigation later,

The Namsang project was started almost 4 years ago to resettle retired Burmese servicemen in model villages to permit profitable living when they left the service. Namsang was chosen because it was an underdeveloped, under-populated region which is suitable for the cultivation of groundnuts, soya beans, wheat, apples, pears, and peaches.

Three resettlement villages already have been turned over to settlers, and 3 others are in the process of being populated.

Under the development plan, each settler is given about an acre of land for his home and 15 acres of land within three-quarters of a mile from his village. The Burmese government provides each settler with a house, bullocks, a cart, farm implements, seeds and seedlings, fertilizer, and poultry. The water supply will provide irrigation for his one-acre family garden plot and his livestock in the first phase. Later it is hoped to provide irrigation to some part of each settler's fields.

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Calendar *for international traders*

Star (★) indicates U.S. Department of Commerce exhibit participation.

July

17—Export Workshop, Pick-Congress Hotel, Chicago, Ill. Sponsor: Mobile Home Manufacturers Assn. Speaker: J. F. Weldon, Chicago Field Office.

17—Regular Monthly Luncheon Meeting, International Executives Assn., Inc., Hotel Statler-Hilton, New York, N.Y. Commerce Speaker: Jack N. Behrman, Assistant Secretary of Commerce for International Affairs.

19—Export Workshop, Chicago, Ill. Sponsor: American Sprocket Chain Manufacturers Assn. Commerce Speaker: J. F. Weldon, Chicago Field Office.

19-20—Ninth Annual Meeting, National Conference on International Economic and Social Development, Palmer House, Chicago, Ill. Theme: "The Alliance for Progress."

22-25—Conference for Unity of the Americas, Chicago, Illinois. Commerce Speaker: William B. Dale, Deputy Asst. Secretary of Commerce for International Affairs.

25—Honolulu Foreign Trade Workshop, Ala Moana Banquet Hall, Honolulu, Hawaii. Sponsors: Chamber of Commerce of Honolulu, University of Hawaii, U.S. Small Business Administration, U.S. Department of Commerce. Commerce Speaker: George A. Black, Honolulu Field Office.

25-Aug. 12—Fourth Annual Chicago International Trade Fair and World Marketing and Economic Development Conference. McCormick Place, Chicago, Ill. Sponsor: Chicago Assn. of Commerce and Industry. ★

26—Export Opportunity Conference, Weslaco Chamber of Commerce, Weslaco, Texas; Commerce Speaker: George L. Malherbe, Houston Field Office Manager.

26—Profits in Exports Seminar, Statler-Hilton Hotel, Hartford, Conn. Sponsors: Greater Hartford Chamber of Commerce, Manufacturers Assn. of Hartford, Manufacturers Assn. of New Britain, Chambers of Commerce of Waterbury, Meriden, New Britain, Manchester, New York Field Office of U.S. Department of Commerce.

27—Export Opportunity Conference, Brownsville Chamber of Commerce, Brownsville, Texas; Commerce Speaker: George L. Malherbe, Field Office Manager.

August

3—Regional Conference of U.S. Trade Missions to West Germany and the United Kingdom, Chicago International Trade Fair, McCormick Place, Chicago, Ill. Luncheon Speaker: Neil C. Hurley, Jr., Chairman, National Export Expansion Council.

6-10—Seminars on International Management, Hotel Astor, New York, N. Y. Sponsor: American Management Assn., International Marketing Division. Seminar Topics: Financial Operations, Purchasing Abroad, Foreign Tax Credits, Overseas Service Groups.

15-17—Maine Products Show, City of Bangor Auditorium, Bangor, Maine. Sponsor: Maine Department of Economic Development.★

September

8-16—Fifth International Food Congress and Exhibition, New York Coliseum, New York, N. Y. ★

15-18—National Assn. of Furniture Manufacturers Fair, Conrad Hilton Hotel, Chicago, Ill. ★

15-23—Eastern States Exposition, West Springfield, Mass. ★

19-26—Annual Convention, National Assn. of Insurance Agents, Sheraton Park Hotel, Washington, D. C. Commerce Speaker: Jerome Sachs, Bureau of International Programs.

20—Annual Dinner and Award Presentation, Foreign Traders Assn. of Philadelphia, Inc. Sheraton Hotel, Philadelphia, Pa.

21—Executives Export Trade Seminar (First of Eight Sessions), University of Houston, Houston, Texas. Sponsors: University of Houston, Distributive Education Branch; U.S. Small Business Administration; Houston Field Office of U.S. Department of Commerce. Commerce Speaker: L. Edward Scriven, Bureau of International Business Operations.

21-30—8th Annual Houston International Trade and Travel Fair, Sam Houston Coliseum, Houston, Tex. ★

22-29—State Fair of Oklahoma, Oklahoma City, Oklahoma. ★

24-26—1st Annual Houston International Marketing Forum, Music Hall, Houston, Texas. Sponsor: Houston International Trade and Travel Fair.

25—Export Trade Seminar, (Opening Session of 10 Week Course), Southern Methodist University, Dallas, Tex. Sponsors: Southern Methodist University; U.S. Small Business Administration; U.S. Department of Health, Education, and Welfare; U.S. Department of Commerce. Commerce Speaker: L. Edward Scriven, Bureau of International Business Operations.

25—World Trade and Marketing Conference, Albany, New York. Sponsor: Albany Chamber of Commerce. Commerce Speaker: E. E. Schnellbacher, Bureau of International Business Operations.

26—Monthly Luncheon, Miami-Dade County Chamber of Commerce, Du-Pont Plaza Hotel, Miami, Fla. Commerce Speaker: Henry J. Dempsey, Bureau of International Business Operations.

27—World Trade Seminar, Tulsa, Oklahoma. Sponsor: World Affairs Committee, Tulsa Chamber of Commerce. Commerce Speaker: L. Edward Scriven, BIBO.

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